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1 Introduction

This chapter introduces the reader to the background of the thesis by providing a wider view of the country of origin effect, the Swedish prefabricated wooden housing industry, as well as the German market for prefabricated wooden houses. Following the overview, the research problem, research purpose and research questions will be stated. Ultimately, the delimitations of the study as well as the contribution and key terms will be presented.

1.1 Background

Globalization has resulted in both industries and organizations having challenges in creating a competitive advantage for their products (Baker & Ballington, 2002). Organizations thus need to create unique selling points to be able to create a competitive advantage in their export markets. Competitive advantage can be assessed from several different perspectives, one of these being the country of origin (hereafter referred to as COO) effect (Agrawal & Kamakura, 1999; Nebenzahl, 2001; Baker & Ballington, 2002). Due to the increase in globalisation which has resulted in intense competition in markets among products from several countries (Papadopoulos & Heslop, 1993), several researchers have acknowledged COO as a significant factor that can influence consumers' perceptions and product evaluation as well as behavioural intentions in the recent global markets (Agrawal & Kamakura 1999; Oberecker & Diamantopoulos, 2011; Nes, Yelkur & Silkoset, 2014).

Studies show that consumers in global markets tend to form product associations with COO, an example being the association of German automobiles and Swiss watches which result in enhancement of the brand equity from these countries (Keller, 1993; Shocker et al., 1994). Moreover, COO can be identified as one among several other cues such as product quality, price, brand name, warranty etc. that influences the overall consumer behaviour and purchase intention (Peterson & Jolibert, 1995).

COO has been studied for over half a century but most studies have been focused on low involvement products, with the exception of various studies on the automobile industry (Häubl, 1996; Pappu, Quester & Cooksey, 2006; Wang & Yang, 2008). With this study focusing on a significantly high involvement product which entails the preference of a

house, whereby there is lack of sufficient research, the authors of this thesis felt that research in this area would add significantly to the COO area of research as well as provide insights and assistance for future research on high involvement products specifically on the housing market.

Sweden as the country of wooden house manufacture

Sweden has a long tradition of building and the construction of wooden houses. Beside the usage of general materials in building houses, the Swedish society made use of timber as natural building material and made use of mass produced and factory made wooden houses for many decades (Persson, 2015). The wooden houses were mostly prefabricated meaning the house or parts of the house were prefabricated in the factory and final assembled on-site (Eksjöhus, 2013; Lindblad, Schaurte, & Flinkman, 2016). One reason for the large amount of prefabricated wooden houses is large supply of forests in Sweden. It represents one of Sweden's natural resources (Persson, 2015). According to the Swedish Forest Agency, over 50 % of the country is still covered by forest (Persson, 2015; Ksla, 2015). Therefore, timber was always used in many areas as a traditional natural building material. Beside the large supply of woodlands, Sweden experienced between the 1960 and 1980 a high demand of prefabricated wooden houses especially as a second vacation house or home. This phenomenon of an expansion of wooden houses occurred due to the growing middle class and larger scope for consumption during these decades. In addition, the industry was able to provide customized solutions which were still factory made (Persson, 2015).

The prefabricated wooden houses during these decades have been widely advertised. The advertisements mostly made use of storytelling about the freedom of choice, a modern life or the good life (Persson, 2014). These stories were mostly connected to crucial principles of the Swedish welfare state which represented the values of the so called "people's home". Thus, owning a wooden house as a main house and/or second home (vacation house) made of timber became common in Sweden and other Nordic countries (Persson, 2014). Due to the high consumption of timber houses between the 1960-1980 and Sweden's large usage of timber in construction and building houses in their entire history, Sweden gained the image as the forefront in wooden houses and furniture (Sweet, 2015; tmf, 2015), especially in Germany. Due to Sweden's history and past, it has still

the widespread image of "red cottage" regarding the preference of housing and house construction (Persson, 2014). This image was enhanced especially in Germany by the famous author Astrid Lindgren who wrote stories about happy children and families in traditional Swedish wooden houses and on farms which attracted German buyers for wooden houses from Sweden (Persson, 2014).

The country image as a part of COO effect is also closely linked to the economic aspects of a country (Martin & Eroglu, 1993), hence Sweden as a developed country has become a modern and economical strong welfare state representing modernity and high quality even though the image of the "red cottage" house is still in the mind of many people (Persson, 2014). Thus, these two "columns" combined and Sweden seemingly being associated with wooden houses (Persson, 2014) makes an investigation of a possible competitive advantage in the German market with focus on the COO effect interesting.

Wooden house market in Germany

Although the usage of wood in the construction industry is still not the major material, the demand of prefabricated wooden houses and wood as a construction material has increased in Germany (Schauerte, 2010). Around 9 percent of the house-building permissions in Germany are approved for future wooden houses (Sweet, 2015). Beside the usage of wood as an alternative construction material, Germans have created their own image regarding wooden houses. According to Berthold Franke from the Göthe-Institut (2007), Germans internalised the so called "Bullerbü-Syndrom" which implies the stereotypical and clichéd perception of Sweden, especially due to the famous author Astrid Lindgren. The Bullerbü-Syndrom contains positive associations with the country's wooden houses, countryside, vivid lakes, blond and happy people (Franke, 2007; Arthur, 2017). Since the 1980s, the terminology "Schwedenhaus" exists which describes a kind of wooden house. This terminology is only known and used in the German market (Fjorborg, 2016).

Thus, a lot of German wooden house manufacturers as well as other manufacturers from e.g. Poland, Denmark etc. are selling their own manufactured wooden houses under the terminology "Schwedenhaus". In Addition, a lot of German sales companies or persons are active as intermediaries for Swedish wooden house manufacturers in the German

market and are promoting and selling the Swedish made wooden houses to the German customer. The use of German intermediaries by Swedish manufacturers to sell and promote their wooden houses in the German market is the common practice.

1.2 The research problem

The Swedish Wooden House Industry is still largely focused on the domestic market (Eksjöhus, 2013; Jonung, 1999; Falkå & Jakobsson, 2014). In years of low demand, Swedish companies were forced to export their houses into foreign markets (Eksjöhus, 2013; Jonung, 1999; Falkå & Jakobsson, 2014). The Swedish Wooden House Industry presumes potential in the German market due to the geographical location, the size of the German market and past experiences of Swedish manufacturers in exports. The German market, however, became very exaggerated over the last decade and currently, suppliers from several countries are active market players competing with Swedish suppliers (Eksjöhus, 2013; Jonung, 1999; Falkå & Jakobsson, 2014). Due to the focus on the domestic market, Swedish suppliers implied an inconstant market presence in Germany which allowed manufacturers from other countries to enter the market and grow (Eksjöhus, 2013; Jonung, 1999; Falkå & Jakobsson, 2014). Therefore, research on a possibly successful competitive advantage in the German market is needed which can be used to penetrate and grow in the German market as successfully as possible.

To gain a competitive advantage in a foreign market an organization needs to establish a unique selling point. A COO effect can be assessed on whether it has a positive effect in both the consumer behaviour and product perceptions (Lotz & Hu, 2001).

1.3 The purpose of the research

This thesis will focus on a topic associated with a research project called "The market potential in Germany for the Swedish Wooden House Industry" which is sponsored by the Swedish Wooden House Industry in person of the Frans and Carl Kempe foundation. The thesis focuses on the German market for Swedish wooden houses in order to provide valuable information for Swedish manufacturers and their decision-making regarding exports to Germany. To explore further into how the Swedish Wooden House Industry could gain a competitive advantage into the German market where the competition for prefabricated wooden house from various countries such as Denmark, Norway, Estonia,

Poland as well as from Germany itself is high, it is important to gain some insight on the nature and development of the Swedish Wooden Housing Industry.

More precisely, this research intends to investigate how the consumers in the German market perceive Swedish wooden houses focusing on whether the COO effect has an influence on product preference, giving a competitive advantage. This will be done through initially uncovering German sellers of Swedish manufactured wooden houses' (hereafter referred to as agents/intermediaries) knowledge about consumer requirements and possible perceptions and preference.

1.4 Research questions

This thesis intends to find out how consumers in the German market perceive the Swedish wooden houses and whether the COO of the houses has an impact on their preference and perception if any?

RQ1: How do agents/intermediaries perceive the market presence of Swedish manufacturers and what are their experiences with consumer requirements and perceptions toward "Schwedenhäuser" from Sweden?

RQ2: How do Germans perceive Sweden as a country (Country Image) and what do they associate with Sweden (Country Affinity)?

RQ3: Does Sweden's perceived image and the Germans' associations with Sweden (Country Affinity) have an influence on the preference of prefabricated wooden houses from Sweden, implying an COO effect if any?

RQ4: Does the COO in terms of prefabricated wooden houses from Sweden create a competitive advantage in the German market?

1.5 Delimitations of the study

The purpose of this thesis study will be limited to perceptions of consumers on the effects of the COO as a competitive advantage for the Swedish Wooden House industry. The focus on the COO will exclude other cues that are also considered by consumers in forming perceptions and product preferences. The research will also generate country specific results as it exclusively focuses on the German market due to the nature of the project.

1.6 Contribution

The main purpose of this thesis is to enhance the level of understanding of the German prefabricated wooden houses real estate market for the Swedish Wooden House Industry through the investigation of consumer perceptions and preference in the market in order to establish whether the Swedish Wooden House Industry has a competitive advantage. Furthermore, this thesis aims to review previous literature on the selected topics to add on the existing knowledge as well as to assess the impact that the study will have on the Swedish Wooden House Industry.

1.7 Key terms

Swedish Wooden House Industry; Country of origin; Competitive advantage; Prefabricated wooden houses; Schwedenhaus; Consumer perception; German wooden house market; Country Image; Country Affinity; Product-country match

2 Literature Review

This chapter presents a review of the overall existing literature and theories regarding the COO in order to provide a foundation in the evaluation of the impacts of consumer perceptions. The chapter begins with an overview of COO then proceeds with a presentation of a framework which comprises of different aspects of COO. Finally, a proposed model in determining a COO effect on the product preference for this study will be presented.

2.1 Introduction

Globalization has, in recent year, led countries to establish trade agreements. The introduction of free trade area reduced trade barriers by having lower tariffs which has resulted in the increase in exportation and importation of good and services. The establishment of the WTO and other regional trading agreements such as the European Union have played a major role in boosting international trade (Thakor & Katsanis, 1997). The increase in trade hence prompted organizations and academics to research how consumer evaluate products and how cues such as the COO affect their evaluations (Lotz & Hu, 2001).

The following Table 1 presents a summary of past research and their findings. Due to the large number of COO-related literature, the following summary provides a theoretical background for the subsequent research proposition of this study.

Constructs	Studies	Findings
COO Definition	Bilkey and Nes (1982) and Papadopoulos (1993) and Amine, Chao and Arnold (2005) and Prendergast, Tsang and Chan (2010)	Country of origin can be identified as the "Made In" label Stereotypical images of product attributes
COO effects on country	Hong and Wyer (1989) and Johansson et al. (1985) and Maheswaran (1994)	Product evaluation vary by perceived strength of country (positive or negative)

COO effects on consumer	Pharr (2005) and Kaynak and Kara (2000)	Due to lack of other information cues, COO impacts consumers' product evaluation
Single cue COO effects	Schooler (1965) and Nagashima (1970) and Elliot and Cameron (1994) and Chattalas et al. (2008) and Cattin et al. (1982) and Hugstad and Durr (1986) and Verlegh and Steenkamp (1999) and Leifeld (1993) and Samiee (1994) and Peterson and Jolibert (1995)	COO influences the consumers' product evaluation and consumers' product perception Consumers use COO cue in case they have sparsely prior product knowledge
Multiple cue COO effects	Jacoby et al. (1971) and Monroe (1976) and Jacoby et al. (1977) and Johansson et al. (1985) and Hui and Zhou (2003) and Srinivasan et al. (2004) Han and Terpstra (1988) and Tse and Gorn (1993) and Gaedeke (1973) and Lillis and Narayana (1974) and Chu et al. (2010)	Brand (name) origin cue has a relatively higher effect on product evaluation than COO cue COO cue has a relatively higher effect on consumers' product evaluation than brand (name) origin cue
Country Image (CI)	Martin and Eroglu (1993) and Eroglu and Machleit (1989) and Laroche et al. (2005) and Kotler et al. (1993) and Kleppe et al. (2002) and Baughn et al. (1991) and Andehn et al. (2015) and Han (1989)	Technological, economical, cultural and geographical aspects of country image influences product evaluation Negative and positive attitudes towards products of a certain country COO cue conduces as a halo or summary effect regarding product evaluation
Consumer Country Affinity	Oberecker and Diamantopoulos (2011) and Riefler and Diamantopoulos (2007) and Verlegh (2007) and Oberecker et al. (2008) and Nebenzahl (2006) and Wongtada et al. (2012) and Verlegh (2001)	Favourable feelings towards specific foreign country products Feelings were formed through direct experience or normative contact with products of a COO Consumers tend to make purchases as direct outcome of their positive feelings and preferences

| Product-country match | Roth and Romeo (1992) and Matarazzo and Resciniti (2013) and Costa et al. (2016) | Perception of product quality from a country differs among product categories Product specificity matters in terms of country image |
| | | Product category dimensions (important or not important) and COO image (positive or negative) are important Favourable match can arouse COO effect more easily and influence product evaluation positively |

Table 1: Overview of COO-related literature

2.1.1 Defining Country of Origin

Regarding COO literature, COO is an extrinsic information cue and is defined as the country in which a product is manufactured or Made In (Bilkey & Nes, 1982; Amine et al., 2005; Prendergast et al., 2010). Papadopoulos (1993) states that the COO cue enables the consumers to establish images about products and/or product attributes such as product quality.

2.1.2 Effects of COO on the Country

Studies by Hong and Wyer (1989), as well as Johansson, Douglas, Srikatanyoo and Gnoth (2002) and Nonaka (1985) show that consumer product evaluations with relation to the COO cue lead to bias and can have both negative or positive effects. The positive association to the COO may occur when the product country origin is linked with the best quality or innovation technical standards whereby the consumers has not taken other informational cues into consideration in evaluation of the product (Srikatanyoo & Gnoth, 2002; Maheswaran, 1994). The effect of an unfavourable or inferior COO could negatively impact the brands coming from that specific country whereas favourable or superior COO could result in the opposite, meaning COO could have a positive or negative effect on the GDP of a country depending on its perception (Pappu, Quester, & Cooksey, 2006; Chu, Chang, Chen, & Wang, 2010). For example, a study by Nebenzahl and Jaffe (1996) discovered that there was an unfavourable image for Sony VCRs that had the COO of the former USSR/Poland/Hungary due to the country image of those countries.

2.1.3 Effects of COO on consumers

The COO effect as an extrinsic cue has been studied over five decades by several scholars who have been trying to understand its effects on consumer behaviour (Pharr, 2005). It has been established that COO does have a significant effect on consumer evaluations on products when consumers lack other information cues (Bilkey & Nes, 1982 cited in Kaynak & Kara, 2000).

The scope of COO influence whereby the effects are more or less dominant on their influence on consumers' evaluations as well as which other factors play a significant part in lessening the effects have been researched and published for several years (Leifeld, 1993; Peterson & Jolibert, 1995; Samiee, 1994; Verlegh & Steenkamp, 1999). These researchers understood that COO is used as an extrinsic cue by consumers to make evaluations about the product which is also associated with the quality of the product. According to Keller (1993) and Shocker et al. (1994), the brand equity of a country image can be improved by the consumers' beliefs of the COO.

COO research by Agrawal and Kamakura (1999) also points out that positive associations of the country image by consumers may have a positive multiplier effect towards other products from that country due to stereotype bias. This positive association leads to a high brand equity which in turn gives the opportunity for the products of the country to have price premiums (Aaker, 1996; Keller, 1993). Roth and Romeo (1992) state that certain elements such as innovative approach (superior, cutting-edge technology); design (style, elegance, balance); prestige (exclusiveness, status of the national brands); and workmanship (reliability, durability, quality of national manufacturers) all play a major part in shaping an image. On the other hand, according to Usunier (2006), the COO can be seen as the stereotypes and other factors influenced by a cognitive approach from a consumer. The cognitive approach differentiates extrinsic cues from intrinsic cues whereby the extrinsic cue includes things such as price, brand name, store reputation, warranty and COO whilst intrinsic cues include taste, design, material, and performance (Bilkey & Nes, 1982).

With the availability of several product and service alternatives that consumers can choose from in the current global markets, the significance of looking at the COO effect

on consumer evaluation of products from different countries becomes essential (Jiménez & San Martín, 2010). With several studies on the effect of COO being conducted, many of those studies show that the information of a country's product can summarized by the COO cue from the consumers' perspective (Ahmed & d'Astous, 1996; Bilkey & Nes, 1982; Hamzaoui & Merunka, 2006; Han & Terpstra, 1988; Klein, Ettenson, & Morris, 1998). Moreover, extensive studies of COO as an information cue conclude that when evaluating especially high involvement products such as cars, the effect of the COO cue proves to be very significant to the consumers' perception and evaluation of product (Ahmed & d'Astous, 2004; Ahmed et al., 2004; Manrai, Lascu, & Manrai, 1998; Piron, 2000; Srikatanyoo & Gnoth, 2002).

2.1.4 Other research perspectives on COO

Several research studies done in the past have looked at the concept of COO from different perspectives. Agrawal and Kamakura (1999); Roth and Diamantopoulos (2009); Roth and Romeo (1992); Usunier and Cestre (2007) studied COO from the product country image perspective, while other researchers such as Bloemer et al. (2009); Veale and Quester (2009); Verlegh et al. (2005); Oberecker et al. (2011) and Nes et al. (2014) have focused on the consumer product evaluation and consumers' product preference from a COO perspective.

In this thesis, the authors approach the study from both point of view. This thesis will look at the effects of COO from the frame of reference single/multiple cue theories, country image theory, affinity theory and product-country match theory. Single/multiple cue effect theories are used as this study investigates effects of COO on prefabricated wooden houses from Sweden in absence of other cues, followed by a proposed model composed of country image theory, country of affinity theory and product-country match theory as a mediator. Since past country image and country of affinity theories determined COO effects on product perception and preference and past product-country match theory explored a theoretical match between a product category and a country's strengths such as prefabricated wooden houses and Sweden in this study case.
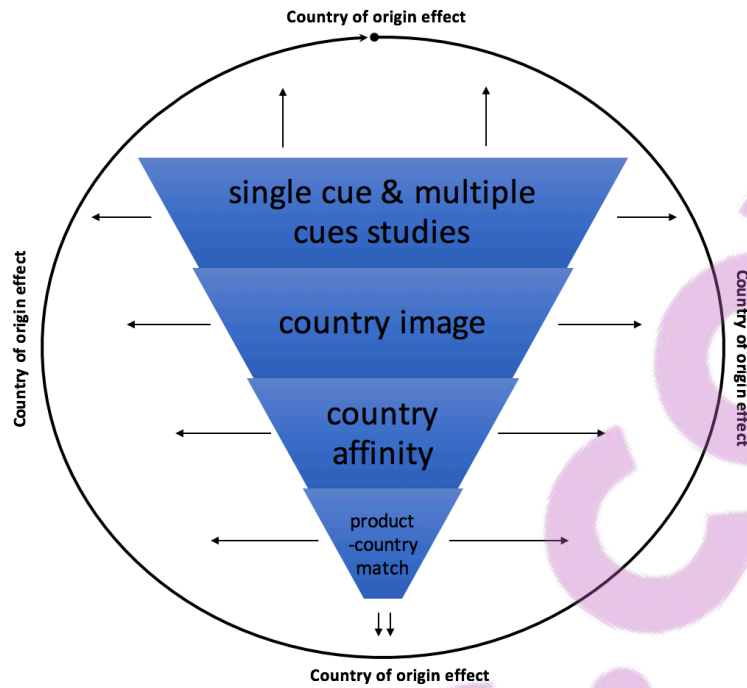
Figure 1: Theoretical framework

Figure 1 highlights single cue & multiple cue studies and additionally three theories of the COO literature. These theories are represented by country image, country affinity and product-country match. The authors have uncovered these COO-related theories as applicable to their research. As part of the COO literature, each of these theories as well as all combined are arousing a COO effect represented through arrows in the framework. The COO effect itself is encircling the framework as it is the result of the theories used.

2.2 Single & multiple cue theory
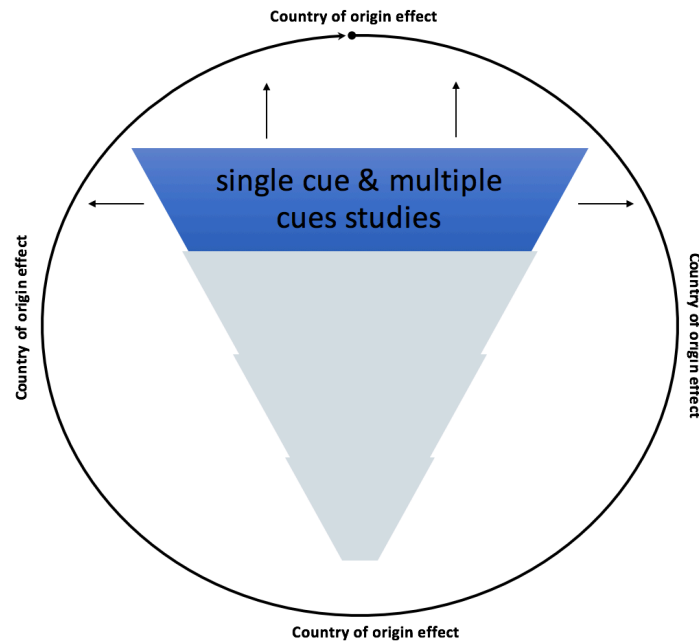
Figure 2: Theoretical framework: single cue & multiple cues studies

Studies on the COO effect as an information cue have been done in different ways but mostly through survey research. In most of the past research, consumers were required to evaluate the quality of the product in a general sense, occasionally specific products or products originating from different countries (Wall, Liefeld & Heslop, 1991). The findings of the researches have emphasized the COO effect as an important information cue. The respondents stated making use of the COO as an information cue to decide upon a product (Wall, Liefeld & Heslop, 1991). Research on the COO effect as an information cue has been frequently surveyed early before the 2000s by Papadopoulous (1986), Kaynak and Cavusgil (1983), Bilkey and Nes (1982), Han and Terpstra (1988), Han (1989), Hong and Wyer (1989), Johansson and Nebenzahl (1987), Hung (1989) and Wall and Heslop (1986, 1988).

2.2.1 Single cue

Early research by Nagashima (1970) and Schooler (1965) focused on the COO effect as the single information cue hence were limited in the consideration of other cues. Nagashima (1970) and Schooler (1965) focused on empirical studies by investigating the effect(s) of the COO information on the consumer's evaluation of certain products as a

single cue (Chattalas, Kramer & Takada, 2008). According to Elliot and Cameron (1994), the COO information is used by consumers as a substituting indicator of the quality of a certain product. Referring to the product classes that have been considered in the study, the COO information got evaluated less relevant than the cues price and product quality as indicators for product choice (Elliot & Cameron, 1994).

Regarding all information cues that exist and are presented to the consumer, the cues are categorized into intrinsic cues and extrinsic cues as mentioned earlier. Since it is mainly difficult to make assumptions and to interpret a product's intrinsic cues prior to the actual buying of the product, consumers tend to use initially extrinsic cues to draw consecutions from them about a product (Elliot & Cameron, 1994; Newman & Staelin, 1972). The COO information cue belongs to these extrinsic cues. Studies such as the study by Cattin, Jolibert and Lohnes (1982) have shown that consumers tend to make use of a single extrinsic cue such as the COO information cue in situations where they have sparsely prior knowledge concerning a certain product.

Moreover, further studies in the early 70s by Gaedeke (1973) and at the end of the 70s by White and Cundiff (1978) have shown a significant relationship between consumers' perception of a product's quality and the COO as an extrinsic single cue. According to Hugstad and Durr (1986), the COO information cue had an impact on a significant number of consumers and aroused their interest before they made purchases. Additionally, research by Hong and Wyer (1989) emphasized the effect of the COO as a single cue on the product interest of the consumer. The COO made the consumers to acquire more information regarding the product and the product evaluation (Hong & Wyer, 1989).

Furthermore, research by Verlegh and Steenkamp (1999), Leifeld (1993), Samiee (1994) and Peterson and Jolibert (1995) agree with the research of Elliot and Cameron (1994), White and Curdiff (1978) and Gaedeke (1973). They attribute a significant effect to the COO information cue on the perception and evaluation of consumers towards products. The findings emphasized a tendency by the consumer in using the COO information as an extrinsic cue to evaluate the product quality (Agrawal & Kamakura, 1999). During the 90s, Verlegh and Steenkamp (1999) and Peterson and Jolibert (1995) surveyed research

on the field and conducted several analyses of the COO literature. They agree with Elliot and Cameron (1994) suggestion that the COO as an information cue is more relevant and affects the product evaluation of the consumer more likely without the presence of other information cues. Additionally, both attribute a larger significant relevance to the consumers' perception of quality than to their attitude formation or purchase intention (Verlegh & Steenkamp, 1999; Peterson & Jolibert, 1995).

An outcome of the globalization of business and the development of production and marketing of consumer products (Terpstra, 1983), was the bi-national products representing a product containing two COO. i.e. a product that has a local brand name but is made in a foreign country or vice versa (Han & Terpstra, 1988). Beyond the previous mentioned studies by researchers such as Nagashima (1970) or Schooler (1965) who focused solely on uni-national products containing the COO single cue without the consideration of bi-national products, further multiple cue studies were made in order to evaluate the relative importance of the COO versus brand name as a significant cue regarding product evaluation (Han & Terpstra, 1988; Tse & Gorn, 1993; Chu, Chang, Chen & Wang, 2010).

2.2.2 Multiple cues

This section will focus on studies done on multiple cues on the area related to COO. According to multiple cue studies containing the COO cue and the (global) brand name as a cue, researches by Jacoby, Olson and Haddock (1971), Monroe (1976), Jacoby, Szybillo and Busato-Schach (1977), Johansson, Douglas and Nonaka (1985), Hui and Zhou (2003) and Srinivasan, Jain and Sikand (2004) attribute the brand name cue a relatively higher effect on the consumer product evaluation than the COO cue (Terpstra, 1983) in literature. The study results by Tse and Gorn (1993), however, support conclusions of previous research that showed a significant effect of the COO cue on consumers' product evaluation (Nagashima, 1970; Cattin, Jolibert & Lohnes, 1982; Lillis & Narayana, 1974; Gaedeke, 1973). The findings state that even in the presence of a (global) brand name, the COO cue can still have a significant effect on the product evaluation and remains as a salient indicator. The COO had a relatively stronger effect on the studied consumers and represented a more enduring information cue compared to the

brand name information cue (Tse & Gorn, 1993). This study underlines the significance of the COO information cue regarding consumers' evaluation and enhances that COO is not just an artefact of previous single cue studies (Tse & Gorn, 1993).

According to the study by Han and Terpstra (1988), which supports research results by Tse and Gorn (1993), the COO and the brand name as information cues have an impact on the perception of product quality. However, the perception at the overall level and at specific product categories differs between the product set-ups (for instance: Swedish-branded/Swedish-made, Swedish-branded/foreign-made, foreign-made/Swedish-branded). Since the brand name as an information cue may still have a dominant impact on domestic product evaluations, according to Han and Terpstra (1988), the COO cue may have a more relevant impact than the brand name cue on consumers' evaluation of foreign products or domestic vs. foreign products.

Additionally, since it is evident that the country where a product is made has an impact on the product evaluation and purchase decision, a negative or unfavourable COO can arouse a risk of potential loss for a company (Chu, Chang, Chen & Wang, 2010). According to Hui and Zhou (2003), an incongruence between the brand origin/image and the COO entails a negative or unfavourable COO effect for a brand; for both high equity and low equity brands. Further research by Chu, Chang, Chen and Wang (2010) concur with Hui and Zhou (2003) and underlines the equal importance of the COO effect on both strong and weak brands regarding consumers' product evaluation. I.e. the sourcing or production of a company in a different country than the brand origin/name or in a less developed country due to cost reduction can harm both strong and weak brand. This research results are consistent with the studies by Han and Terpstra (1988), Wall et al. (1991) and Tse and Gorn (1993).

2.3 Country image (CI) effects
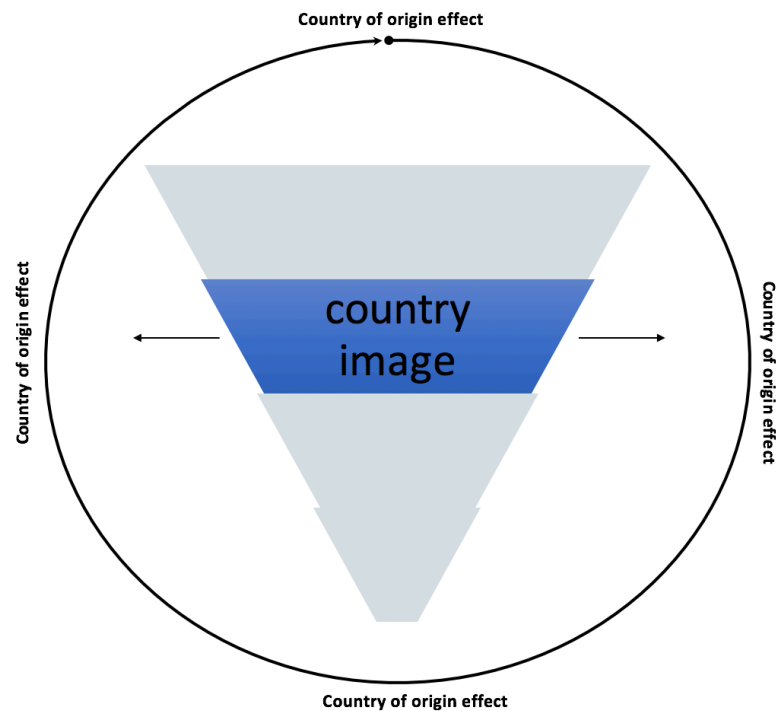
Figure 3: Theoretical framework: country image

Several studies have focused on the influence of COO on consumers' perception of foreign products through the country image perspective. The country image representing the origin of a product is an extrinsic cue which can be a part of the overall product image (Eroglu & Machleit, 1989; Chattalas, Kramer & Takada, 2008; Obermiller & Spangenberg, 1989; Martin & Eroglu, 1993; Heslop & Papadopoulos, 1993; Verlegh & Steenkamp, 1999; Andehn, Nordin & Nilsson, 2015; Laroche, Papadopoulos, Heslop & Mourali, 2005).

Moreover, a study by Martin and Eroglu (1993) with the focus on country image, concluded that technological, economical, cultural and geographical aspects of a country's image affect consumers' perceptions. Further research on the country image have shown that consumers and industrial buyers have stereotypical images of countries and their products. Previous studies have highlighted the tendency of consumers to connect negative or positive attitudes with products from a certain country. This tendency

becomes origin biases that apply to products generally, to particular products and to industrial buyers and end consumers (Bilkey & Nes , 1982; Dzever & Quester, 1999). Consumers are faced with COO effects through country images by the distribution of related information through the media, travelling, education and marketing cues such as brand names, made-in labels, packaging or advertisings containing country origin associations (Laroche, Heslop & Mourali, 2005). In addition, the country image can be seen "as the total of all descriptive, inferential and informational beliefs one has about a particular country" and the image of a certain place is seen as "the sum of all those emotional and aesthetic qualities such as experiences, beliefs ideas, recollections and impressions that a person has of a place" (Kotler, Haider & Rein, 1993; Martin & Eroglu, 1993; Kleppe, Iversen & Stensaker, 2002)

Furthermore, the country image occurs in order to have an effect on the consumer perception of mediating factors such as product quality, risk and the product preference (Martin & Eroglu, 1993; Baughn & Yaprak, 1991; Kleppe, Iversen & Stensaker, 2002; Laroche, Heslop & Mourali, 2005; Andehn, Nordin & Nilsson, 2015). Further research by Han (1989) supports the findings of the previous mentioned studies and highlights two major roles of the country image effects. One role of the country image is to serve being a halo effect for the buyer to evaluate a product in case the buyers don't know or are not able to infer the quality from the product (halo effect/function) (Han, 1989; Josiassen, 2010). Consequently, the country image has an indirect impact on the attitude towards brand/product based on buyers' inferential beliefs (Martin & Eroglu, 1993). Research by Laroche, Heslop and Mourali (2005) supports the findings of Han (1989) that the reason for the usage of country image as a halo effect is the consumer's lack of knowledge about attributes of foreign products. Therefore, consumers make use of it in order to have an indirect evidence for product evaluations and to infer the quality of the product attributes (Laroche, Heslop & Mourali, 2005). Early studies on the halo function perspective of the country image by Erickson, Johansson and Chao (1984) and Johansson, Douglas and Nonaka (1985) narrowed down the country image effects on product evaluation and underlined explicitly that the country image influences the consumer's' evaluation of product attributes rather than the overall product evaluation.

Additionally, when buyers get more familiar with products of a certain country, the country image represents a summary function for the buyer which helps them to make a summary of their product beliefs with a direct influence on their attitudes towards brands/products (summary effect/ function) (Han, 1989; Josiassen, 2010). Another study by Hong and Wyer (1989) found out that the country image can have an additional impact on the buyer by stimulating them to extend their thoughts on the product and acquire more and further product information.

Research by Laroche, Heslop and Mourali (2005) underlines the relevant direct and indirect impact of country image on the product evaluation through product beliefs. In case of a strongly affect-based country image, the image indicates a more relevant direct impact on the product evaluation than on the product beliefs. Whereas, in case of a strongly cognition-based country image, the image indicates a more relevant direct impact on product beliefs rather than on product evaluation. In terms of the overall impact of the country image on the product evaluation, the image was equally relevant and important in the context of both affect-based images and cognition-based images (Laroche, Heslop & Mourali, 2005).

2.4 Consumer Country Affinity
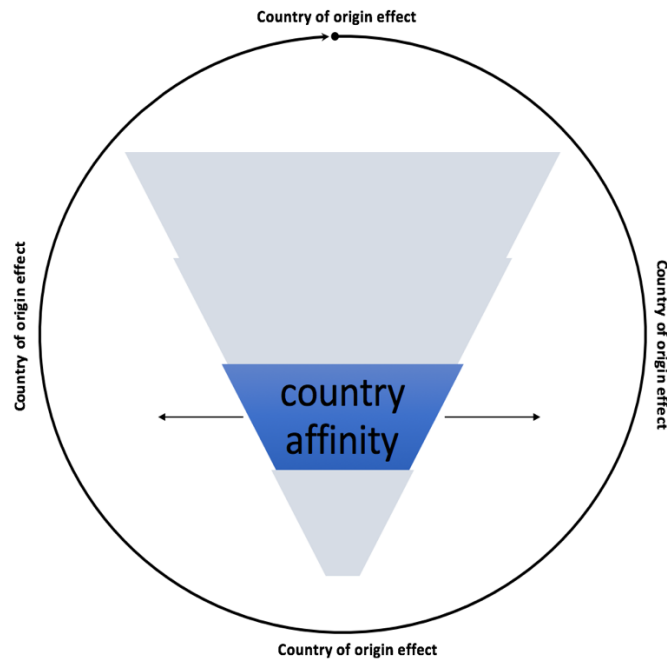
Figure 4: Theoretical framework: country affinity

The concept of consumer country affinity introduced by Oberecker and Diamantopoulos (2011) refers to the favourable feelings consumers have towards specific foreign country products. Oberecker and Diamantopoulos (2011) study on the concept found that global organisations can take advantage of positive consumer country affinity. This was possible due to the results that they discovered which showed that consumers behavioural outcomes related to perceived risk and willingness to buy country specific products. Moreover, consumer affinity has significant influence more than the consumer's' country cognitive evaluations of the product (Wongtada, Rice, & Bandyopadhyay, 2012). According to studies by Riefler and Diamantopoulos (2007) and Verlegh (2007), the consumers' feelings toward a country, positive or negative depending on the context may have more of an influence in the inclination toward foreign products than other factors such as product price and reliability.

2.4.1. Sources of Consumer Country Affinity

Earlier findings by Martin and Eroglu (1993) showed consumer affinity effectively distinguishes from cognitively created country images formed by informational beliefs by a consumer about a specific country. Other researchers such as Verlegh (2007) found that consumers might like a specific country, thus making them want to form associations with it which leads them to purchase products from that country. The various studies conducted in this area support that consumer affinity has a significant impact on purchase decisions, Jaffe and Nebenzahl (2006) support this theory by stating that consumers who show positive feelings and preferences towards a specific foreign country tend to make purchases as a direct outcome of their feelings. Furthermore Wongtada et al., (2012) underpin the concept of country affinity by stating that an individual's prior experiences linking them to a preferred holiday destination leads them to have positive affection for the country while on macro level the information gained on social media platforms from others and other forms of media also contribute to the formation of such feelings towards country affinity.

2.4.2. Classifications of Consumer Country Affinity

Research conducted by Oberecker, Riefler and Diamantopoulos (2008), studied the concept of affinity from a social identity theory whereby they highlighted that feelings of attachment, sympathy and admiration by an individual might be and can be attached to foreign countries. Their research led to the development of seven classifications that lead to consumer affinity. The seven classifications composed of four micro (lifestyle, scenery, culture, and politics and economics) and three macro (stay abroad, travel, and contact) whereby micro drivers were mainly based on the consumer's direct involvement with specific countries through holidays and experiencing the culture, lifestyle etc. Whereas for the macro drivers, consumer involvement was more indirect meaning that consumers did not require to have direct involvement with the origin country but they could still have information of the country through media and other forms of information available to them (Verlegh, 2001).

Furthermore, Oberecker, Riefler, and Diamantopoulos (2011) additionally narrowed down the affinity concept into consumer feelings that involve sympathy as a low positive aspect and attachment which involves a high positive aspect towards a foreign country.

Research by Thomson, MacInnis, and Park, (2005) also emphasizes that attachment constitutes the satisfaction, involvement and brand attitude of the consumer. Therefore, aspects of attachment and sympathy can be used to comprehend the extent to which consumers' affinity towards a certain country can be applied by organizations on their product offerings (Bernard, & Zarrouk-Karoui, 2014).

Moreover, empirical findings by Oberecker et al., (2008) show the connections between specific countries and consumers affinities towards them. In their findings, it was established that the main drivers of affinity were factors such as lifestyle and scenery which occur from consumers' direct experience with specific countries. Oberecker et al., (2008) goes on to recommend that organizations who operate in foreign markets could gain an advantage in targeting consumers with a positive affinity towards their countries.

2.5 Product-country match
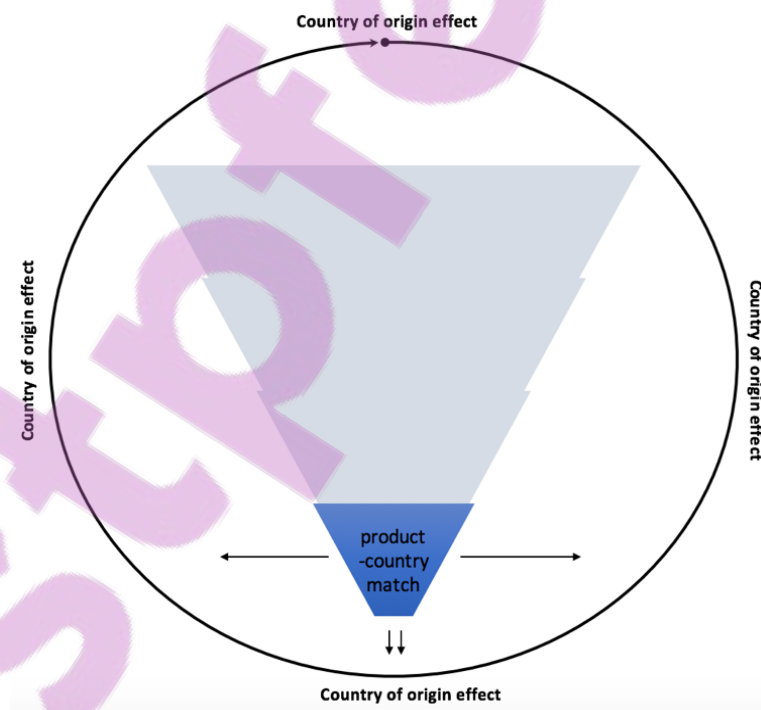
Figure 5: Theoretical framework: product-country match

Research in the field of country image among different product classes by Kaynak and Cavusgil (1983), Eroglu and Machleit (1989), Liefeld and Heslop (1991), Witt and Rao (1992), Elliot and Cameron (1994) and Manrai, Lascu and Manrai (1998) have found out

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and underlined that the perception of the quality of different products from the same COO are different among product categories/classes. Addtionally, they emphasized the different perceived product qualities or product quality evaluations among different countries are mostly relevant for certain categories/classes rather than for all classes or other categories/classes of products (Costa, Carneiro & Goldszmidt, 2016). Especially Roth and Romeo's (1992) work and studies on the product-country match as a sub-section of the COO theory have shown that the product specificity matters in terms of country image. The findings highlighted that in cases of favourable product-country matches, the strong usage of associations with the perceived origin of the product becomes significantly beneficial for the company. The association with the perceived product origin can be aroused through advertising the product or through language that is in association with brand name (Matarazzo & Resciniti, 2013).

2.5.1 Product-country match framework

Roth and Romeo (1992) created a framework regarding product-country match which contains the extent to which dimensions of the product category are important (either important or not important) and the perception of the COO image (either positive or negative). The framework and a match or mismatch between the relevance of product category dimensions and the perceived COO image can provide marketing managers with an understanding and can advise them regarding the extent to which their product origin and its advertising is significantly beneficial to them or not (Roth & Romeo, 1992; Matarazzo & Resciniti, 2013). Additionally, the framework allows marketers to determine where improvements in the dimensions alongside certain country images need to be taken (Roth & Romeo, 1992; Matarazzo & Resciniti, 2013). Referring to Roth and Romeo's (1992) framework, the dimensions of the perceived country image are made of four specific dimensions which are represented by Innovativeness, Design, Prestige and Workmanship.

Furthermore, referring to the figure 6, a product-country match exists if dimensions that are relevant for a certain product category are in association with the dimensions of the country image. On the contrary, if the dimensions of the product category and the country image are not linked, a product-country mismatch is likely to occur (Roth & Romeo, 1992; Matarazzo & Resciniti, 2013). For instance, the dimensions prestige and design of a country image are relevant dimensions for consumers in the case of shoes as a product which results into a favourable match. For beer as a product, however, these dimensions are less relevant when compared to shoes which results into an unfavourable match (Matarazzo & Resciniti, 2013). In that case, the unfavourable match occurs due to the relevant product dimensions which are not perceived by the consumers as country strengths. Additionally, an unfavourable mismatch between the product feature and the country image dimension exist if an image dimension is not relevant for both the product features and the perceived country's strengths (Roth & Romeo, 1992; Matarazzo & Resciniti, 2013). In situations where a favourable and strong product-country match occurs, the COO effect arises more easily and influences consumers' product evaluation in a positive way. That fact can give the company the opportunity to push consumers to prefer their product through advertising the product's COO (Matarazzo & Resciniti, 2013).

Figure 6: Product-country match (Roth & Romeo, 1992)

2.5.2 Relevant country strengths and product dimensions

According to Matarazzo and Resciniti's (2013) findings which are based on the framework of Roth and Romeo (1992) and support their research results, there are several implications for companies and marketers regarding product-country match within the field of COO effect. The findings highlight that the country image can be of significant importance in regards to penetrating and getting into new foreign markets in case of a product-country match existence (Matarazzo & Resciniti, 2013). However, to activate the full potential of the COO effect of certain products, the origin of the product has to be a definite and very authentic place rather than a generic origin. This authentic and definite origin place needs to contain history which is inseparably connected with the history of a company and its territorial system containing the company's roots and first steps including their initial ideas, their projects and their products (Matarazzo & Resciniti, 2013).

Nevertheless, the findings also underline that the history of a place and a company and its territorial system does not occur from scratch and solely suffice in order to be more than only a generic COO information and to add meaning to the product origin. The company and their marketers have to capitalize and enhance the country (effect) and their cultural signifiers (Matarazzo & Resciniti, 2013). That means that companies need to show and enhance the quality of life of a particular COO by creating symbols, company visions and product or company stories and languages that are linked to the COO and its level of life quality. Under the consideration of the dozen countries in the world, these mentioned risks and investments need to be considered in order to use the COO effect most sucessfully (Matarazzo & Resciniti, 2013).

Since customers from foreign markets and countries are way more careful and have an increased access to information regarding product origins, they acknowledge the authentic and definite origin of foreign products which are not only designed in the particular country, and appreciate the quality of the products which are manufactured completely in that particular country (Matarazzo & Resciniti, 2013). Therefore, due to the perceived product quality and customers understanding, the effect of the COO can become crucial and of significant importance in successfully penetrating new foreign markets in the case of a product-country match existence (Matarazzo & Resciniti, 2013).

Lastly, Roth and Romeo's (1992) study highlights that the overall perception formed by consumers about specific product classes from a certain country is represented by a specific product-country image (Roth & Romeo, 1992; Hsieh, Pan & Setiono, 2004). The studies in this sub-section of the COO attribute the country image a considerable variation as it depends on the product class that is considered in the respective situation (Hugstad & Durr, 1986). Regarding the sensitivity of product classes towards country images, research findings have attributed durable products (for instance cars) a higher sensitivity than nondurable products (Hsieh, Pan & Setiono, 2004).

2.6 Proposed model used in the study
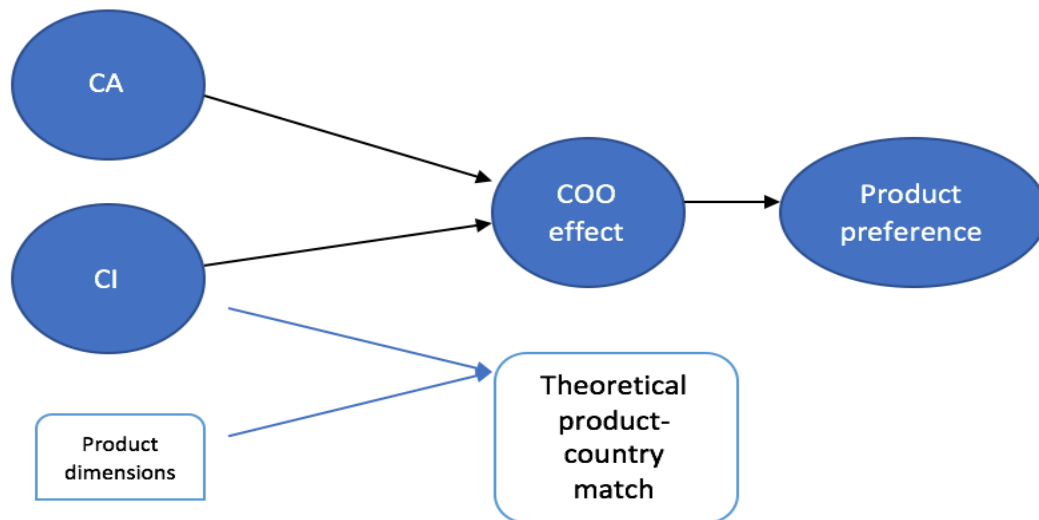
Figure 7: Proposed model: Investigation of COO effect on perceived product preference

The model implies the affinity with and the perceived image of a country for determining whether both have an impact on consumers' perception and product preference throughout a COO effect. Applied to this study, the model investigates whether the Germans' either positive or negative affinity with Sweden and their perceived image of Sweden have an influence on their preference towards prefabricated wooden houses from Sweden through a COO effect. Also, by investigating whether the relevant perceived product dimensions are matching with Sweden's strengths, a theoretical product-country match is used as a mediator for comparison.

3 Methodology

This chapter introduces the methodology selected for the research study. It presents the specific methods used for sampling and data collection. Furthermore, the findings of the qualitative analysis, trustworthiness and credibility of results will be discussed.

3.1 Research Philosophy

Saunders, Lewis and Thornhill (2016) state that the research philosophy entails the perspective and presumptions of the development of information by researchers of a research to address a research problem. Researchers make presumptions on human knowledge and realities which normally influence the way they comprehend the research question (Crotty, 1998). For a research philosophy to be credible the authors have to ensure their presumptions are clearly thought through and are unswerving. This will help them choose the methodology, strategy, data collection process and analysis to use for the research (Saunders et al., 2016). Saunders et al., (2016) states that there are five research philosophies that can be used by researchers which include positivism, critical realism, interpretivism, post modernism and pragmatism.

For this thesis, the authors opted for a pragmatic philosophy. The reason for this selection is due to the fact that a pragmatic philosophical approach tries to combine both objective and subjective view points by taking into account existing theories and research findings realistically so as to address the research question in the best way (Saunders et al., 2016). Moreover, this philosophy tends to use multiple methods to try and ensure reliability and credibility of the research (Kelemen & Rumens, 2008).

3.2 Research Design

According to Malhotra, Birks and Wills (2012), a research design enables the researcher to have an outline/structure to carry out research. A research design can be framed in two of the following ways i.e. exploratory or conclusive (descriptive or causal) depending on the research problem at hand (Malhotra et al., 2012).

An exploratory design seeks to gain insight and understanding into the researcher selected topic of research. This research design normally suits a situation where the data required is vague and hard to measure quantitatively, thus the process itself involves an adaptable semi-structured approach which can change depending on the circumstances (Malhotra et al., 2012). This research will adapt this design through a two-step method by firstly conducting individual interviews with market experts in a flexible manner to gain quality in-depth insight. Through the interview the researcher probing might uncover some additional research questions which were not primarily contemplated.

On the other hand, a conclusive research design mainly focuses on describing or examining certain relationships with clear indications of the data needed to arrive to a conclusion. This design entails two methods namely descriptive and causal. A descriptive research design focuses on revealing information on certain hypothesis and research questions of a representative sample group through quantitative methods like surveys. For a causal research design, the method focuses on determining the cause and effect connection through a formal structured and predetermined research study mainly via an experiment (Malhotra et al., 2012). This study will adopt a descriptive design for the second part of the research which seeks to gain further understanding by sending out an online survey questionnaire to the German population. Furthermore, according to Malhotra et al., (2012), a descriptive design can help to determine the perceptions of consumers on certain products which fits with the purpose of this study.
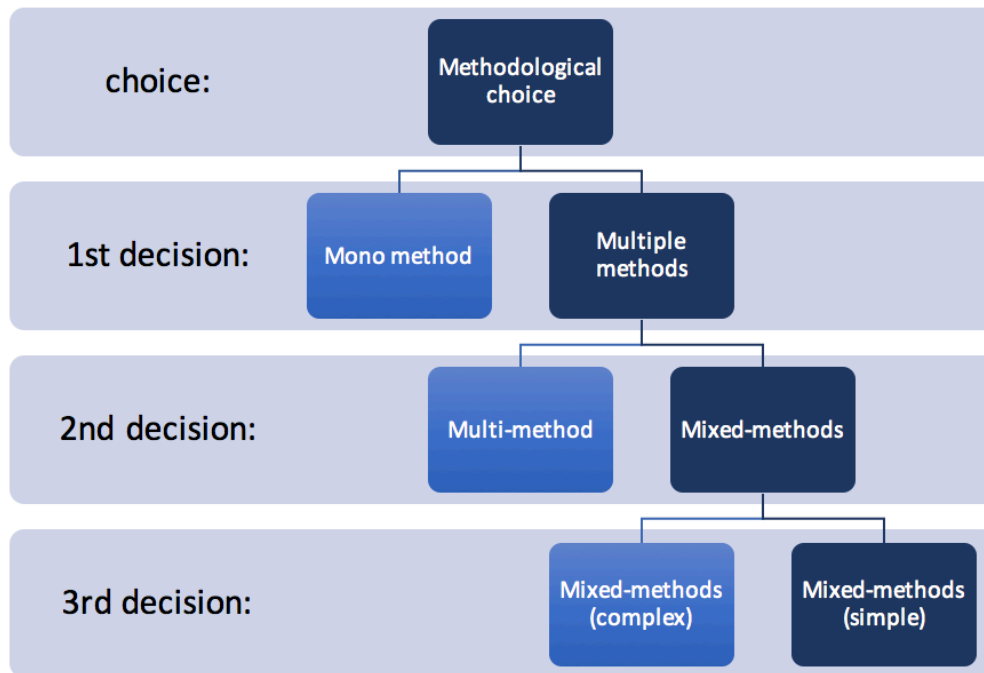
Figure 8: Methodological choice

This thesis intends to move from general to specific, hence the study will explore already existing theory on the COO effects as already highlighted on the literature review chapter.

3.3 Research Approach

The research approach is a critical step in conducting research, this step occurs when the researcher has established the research problem hence needs to choose the method to tackle the problem (Malhotra et al., 2012). A research approach relies on theory to support the study's impartial evidence (Malhotra et al., 2012). According to Saunders et al., (2016), a research approach can take either of the three following approaches namely deductive, inductive or abductive.

A deductive approach requires the researcher to develop a hypothesis through existing theory then conduct a study to test the theory. An inductive approach differs in the way that the research starts with a research problem and gathering information on the issue then through the collected information he/she develops a theory that supports the findings. Furthermore, an abductive approach involves the use of both the inductive and deductive approach together (Saunders et al., 2016).

Given the availability of several theories and literature on the COO effect as highlighted in the frame of references, the application of an abductive approach was selected as it fits the nature of the research at hand due to the reason that the authors intended to collect data to investigate the research problem so as to detect themes and clarify patterns to adapt the findings to existing COO theories as suggested by Saunders et al., (2016).

3.3.1 Qualitative and Quantitative research

According to Saunders et al., (2016), a mixed methods approach can be used to uncover or gain insight and examine a research problem. Therefore, the two methods (quantitative and qualitative research) can be used either independently or together to collect and analyse the data. The selection of which techniques to use should rely on which technique is able to bring out the most reliable information for the research problem (Malhotra et al., 2012).

These two techniques are different in the way that quantitative research involves the collection of data through large and mostly representative samples whereby the data collected is presented numerically and can be measured and analysed through statistics and diagrams (Saunders et al., 2016). This technique is normally linked with a deductive approach whereby the theory is verified using the information collected as the main emphasis. On the other hand, qualitative research involves the collection of data through relatively small samples with the intention of gain deep understanding to a research problem (Saunders et al., 2016). Thorough descriptions are normally drawn from qualitative research which cannot be quantified and measured in a quantitative method. Qualitative research mostly leans towards exploratory research due to its nature of data collection (Saunders et al., 2016).

The authors of this thesis implemented a concurrent mixed research design as this design enabled them to collect and analyse the results from both the qualitative and quantitative approaches which they used to get more comprehensive answers to the research questions as well as to develop a more comprehensive understanding of existing theories (Saunders et al., 2016). This design involved two phases of data collection and analysis whereby the first part (qualitative) was used to gain information and give direction to the second part (quantitative) of data collection and analysis (Saunders et al., 2016). The initial step involved conducting in-depth interviews with industry experts, namely Swedish wooden

house agents/ salesperson/ intermediaries or wooden house producers who are believed to have a deep understanding of the market through their vast experience and knowledge of how consumers behave and what they look for when they make purchase decision for buying wooden houses. This initial step was conducted to provide preliminary information about the German market since the authors were not able to find any secondary data for this specific topic hence it was deemed necessary to gain a holistic view to proceed with the research. The information obtained was analysed qualitatively and assisted in the development of a proper questionnaire which was used in the second step of the study.

The second step involved the design of a questionnaire which was pilot tested, revised and then sent out to a target of German residents so as to further examine consumers' perceptions. The study aimed at conducting a two-step methods research approach to be as exhaustive as possible in answering the research problem (Saunders et al., 2016). According to Creswell and Plano Clark (2011), the research study will determine how the mixed methods approach is used by the researchers meaning one approach either qualitative or quantitative can be more central to the study. This research used the mixed method approach unequally in the way that more weight was given to the quantitative research due to main purpose of the study which was intended to gather information on German consumer perception.
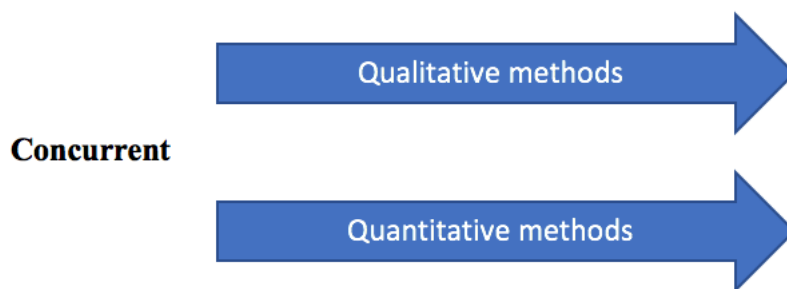
Figure 9: Mixed method research designs (Saunders et al., 2016, p 170).

3.4 Sampling Selection

With the main purpose of a research being the collection of data from a population to determine certain characteristics in order to address a research problem, researchers need to choose a sample which represents a subset of the target population to achieve this

purpose (Saunders et al., 2016). This thesis with a two-step mixed method narrowed down the target population as follows.

3.4.1 Sample for the qualitative study

Firstly, the target sample included industry experts in the prefabricated wooden house sector in Germany and Sweden. In this case, the authors were referred to a Swedish expert in prefabricated wooden houses by the Jönköping University professor Anders Melander in charge of the project. The Swedish expert then recommended some German experts to the authors who in turn searched for other experts in the market via the internet.

3.4.2 Sample for the quantitative study

Secondly, the research targeted the general German population who are within the range of 18-65 and above 65 years of age, both males and females entailing a diverse demographic characteristic of respondents. The authors choice for particularly considering the young age groups was because of the results from the qualitative interviews whereby the interviewees made recommendations to the interviewers to focus on the young generations as they will become the future target group of housing market. The sampling frame which refers to the elements representing the target population (Malhotra et al., 2012), consisted of any German residents who could offer their general opinions on how they perceive Sweden as well as their perception of prefabricated wooden houses.

According to Malhotra et al., (2012), after the definition of the sampling frame follows the selection of a sampling techniques to be used. The researcher can thus choose to use either probability or nonprobability sampling, whereas non-probability sampling depends on the researcher's own judgment and probability sampling depends on chance/ coincidence (Saunders et al., 2016).

3.4.3 Sampling Techniques

3.4.3.1 Qualitative sampling technique

The researchers narrowed down the samples as follows. For the initial step which involved semi-structured interviews with experts, a non-probability judgemental sample

was used to select the interviewees who were deemed experts in the topic of research. The judgement criteria were based on the respondents being currently engaged in the prefabricated wooden housing industry as well as them having dealt or are still dealing with prefabricated wooden houses from Sweden.

3.4.3.2 Quantitative sampling technique

Secondly, the researchers also used a non-probability judgement sampling technique. The researchers applied this technique whereby the target population was based on their subjective judgement. The authors selected the sample element with the criteria being any German citizen or resident above the age of 18 thus believing they are representative of the population which is targeted by the research topic. According to Malhotra et al., (2012), this sampling technique can be used to establish the prospects of a product in a certain market which fits with the purpose of this research.

Following the choice of the sampling technique the selection of the sample size follows. The sample size is the number of elements that are to be involved in the research. This thesis used a qualitative approach which allowed the samples size to be relatively small (Saunders et al., 2016). Furthermore, to ensure a comprehensive and exhaustive understanding of the research problem, a quantitative approach was applied through sending out a survey aimed at over 200 respondents who were required to participate in an online survey.

Considering the objective of the study which targeted the general German population with the only restriction being age (respondents had to be over 18 years old), due to the use of judgemental sampling the authors choose to compile their own sampling frame by using some existing lists such as the university database targeting Germans and social media to reach the target group as the main aim of the study was to get the opinions of German residents. It can also be noted that the researchers asked some of their respondents to assist in distributing the survey to fellow German residents who were willing to offer their opinions on Sweden as a country and prefabricated wooden houses so as to reinforce the responses in a snowballing sampling technique. This ensured the validity of the sampling frame. The sample size selected for this study was 250 which is relatively large since it included any German above the age of 18 thus reducing the margin of error in the sample

size. Moreover, the researchers considered the fact that these selected techniques had the advantage of being cost effective and less time consuming.

3.5 Data Collection Method

To collect data researchers can choose to use two ways i.e. primary data collection and secondary data collection methods. The selection of the method to be used depends on its suitability to the research itself. Primary data collection entails the gathering of data by a researcher for the sole purpose to tackle a specific research problem. This collection method due to its nature involves a high use of resources such as time and costs to gather the data. Given the nature of this thesis, several primary data methods can be selected such as direct (group interviews or depth interviews) or indirect (observation techniques or projective techniques) or survey techniques. Thus, the researchers opted on collecting the primary data with a two-step approach, firstly through semi-structured in-depth interviews with industry experts, followed by a survey conducted online with the use of Qualtrics.

3.5.1 Secondary data collection

Secondary data collection entails collecting information which has previously been gather for other purposes (Malhotra et al., 2012). Secondary data can be sourced from existing literature and research studies which offers the researchers some information and insights on the area of study enabling them to polish and develop the frame of reference for a deductive research (Saunders et al., 2016). In this research, the secondary data was gathered mainly through the search terms COO effect, perception of COO, country image and country affinity on Google scholar and the Jönköping University's library database (Primo).

3.5.2 Primary data collection (first step): Semi-structured interviews

This thesis consisted of collecting data in a two-step process. The first step involved collecting the data through semi-structured in-depth interviews. In this step, the data collection was done through interviewing German agents/ intermediaries or producers at their locations. The interviews lasted slightly over an hour and a half. Throughout the interviews the moderator was able to probe the interviewees going deeper into discussions about the German market. The semi-structured nature of the questions allowed the

moderator to ask follow-up questions while staying within the intended topic of discussion. The same questions and order of asking was used for all the interviews to guarantee consistency (find question guideline in appendix 1).

The number of semi-structured interviews conducted by the researchers consisted of four personal interviews. The initial/first interview was conducted in Sweden with an exporter of Swedish wooden houses to the German market whereby good leads were uncovered on how to proceed with the other interviews. The other interviews took place in person, in Germany within a space of a week. In the interviews, the interviewees proved to be comfortable and relaxed in their office atmosphere making them willing to participate in the discussion with the moderator about the topic. The moderator was also able to gain the permission of the interviewees to record the interviews (see table 3 for interview details). After the fourth interview the researcher felt no new information could be obtained from conducting further interviews and meaningful insights had been gained thus meaning a level of saturation had been reached.

3.5.3 Primary data collection (second step): Internet survey

The second step of the primary data collection involved sending out a survey through Qualtrics. The survey was sent/ distributed via a link which was sent out on various social media platforms such as Facebook and WhatsApp as well as via email. According to Saunders et al., (2016), surveys are normally considered useful in collecting substantial amounts of data in a descriptive study. The data collected in a survey enables researchers to make an easy evaluation and expound due to the standardization of the questionnaire. The survey consisted of closed ended questions designed to gather insights on whether the respondents associated wooden houses with Sweden and whether the COO where the houses were manufactured, played a significant part in the evaluation and preference if any.

3.5.3.1 Questionnaire development

In order to have a valid measurement of the survey findings, the questions on the questionnaire were design through the use of previous COO studies on country image by Laroche, Papadopoulos, Heslop and Mourali (2005), country affinity by Wongtada, Rice and Bandyopadhyay (2012), the product-country match by Matarazzo and Resciniti (2013) and Roth and Romeo (1992) as well as through the data collected from the

qualitative expert interviews. Questions adopted from these three studies were refined and altered since the topic and area of research was different. Most of the questions used a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire comprised of various sections as follows.

Questions	Items	Scale	Source/Reference
Section 1. Country Image	6	5-point Likert scale	Adapted from Laroche et al., (2005)
Section 2. Country Affinity	11	5-point Likert scale	Adapted from Wongtada et al., (2012)
Section 3. COO (preference)	8	5-point Likert scale	Self-developed
Section 4. Product category dimensions	4	5-point Likert scale	Adapted from Matarazzo & Resciniti, (2013); Roth & Romeo, (1992)
Section 5. Consumer housing factors	4	Multiple choice	Self-developed
Section 6. Demographics	9	Multiple choice	Self-developed

Table 2. Questionnaire development sources

The questionnaire was first written in English then translated to German and then back translated to English. This step was important as the research focused on Germans, thus administering the questionnaire in their language was deemed fit. Thus, the back to back translation was crucial since the study was written in English (Saunders et al., 2016).

3.5.4 Pilot test survey

The study made use of a pilot test survey first before administering the actual survey. The test survey was sent out to 30 external respondents whereby the information gained showed some minor flaws which were used in refining the original questionnaire and a final questionnaire was finalized and distributed.

The relevant findings of the pilot survey were the education level whereby most respondents selected high school. This led the authors to extend the selection options with current bachelor, master, phd student since some respondents are currently a bachelor or master student and thus future diploma holders. Since it could skew the final results and not portray the real picture of level of education. Additionally, the results lead to the review of general instructions for each question to make them clearer so as to avoid the scenario whereby the respondents feel that they should have prior knowledge in field instead of answering based on their feelings, perception and opinion.

Moreover, the authors decided to add further questions in the section of product-country match in the final questionnaire to get more detailed information from the respondents in terms of product feature dimensions as based on the pilot survey findings this seemed to be not clear enough. Beside the named minor flaws, the questionnaire was perceived as clearly understandable and well-structured by the respondents.

3.6 Data Analysis

3.6.1 Qualitative data analysis

Following the collection of data through the two steps, the initial step involved the transcription of the four recorded interviews which amounted a total of 9 hours of empirical data. The gathered data was transcribed from the audio recordings to a document to enable coding and examination of the data. This step involved both the authors coding the data allowing for different perspectives so as to avoid any biases, then the views were discussed and agreed upon which ensured a comprehensive analysis.

The coding of the data was done through the use of key themes. According to Malhotra et al., (2012), data coding involves "*organising, managing and retrieving the most meaningful bits of qualitative data that they collect*". Hence for this step categories were made using the key themes from the interviews which were connected to the research questions. The key themes were as follows; **Sales process, Schwedenhaus, Consumer relevant factors, promotion** and **future marketing of COO**. These key themes/categories allowed the authors to analyse the empirical data by gaining insights on the market accordingly.

3.6.2 Quantitative data analysis

The data analysis for the second part of the empirical findings was processed and categorized using SPSS statistical version 21 to address the research questions. The number of questions asked was 42 and the responses received were 214 which implied an adequate amount for statistical accuracy. The authors conducted the following statistical tests; A multiple regression analysis was used to investigate the relationships between product preference (dependent variables) and country image and country affinity (independent variables) as well as the difference between two groups (one who opted for a prefabricated wooden house or massive house) against the same variables, a t-test was also used to compare the score between the genders on country image, country affinity and the Bullerbü-syndrome. An ANOVA test was also done to compare the score between different age groups to country image, country affinity and the Bullerbü-syndrome (Pallant, 2005).

The multiple regression analysis in the study was used to predict the outcomes between the different variables as per the proposed model. According to Saunders et al., (2016), the multiple regression analysis enables the authors to examine the strength of relationships between dependent (product evaluations/product preference) and other independent variables (country image, country affinity). I.e. the measure was used to test whether the country image lead to a product preference through a COO effect. The same applied for the country affinity to see if it leads to product preference through COO effect. *"The multiple regression is symbolized by R2 whereby it can have a value of between 0 and +1 meaning if dependent variable can be explained by the other independent variables then the coefficient of multiple determination will be 1 and if half can be explained the value will be 0.5 and if none can be explained the values will be 0"* (Saunders et al., 2016).

The t-test on this study was used to compare the score relationship between the different variable groups in the demographics such as male vs female. This was done to see whether there was a significant difference in how the different groups perceive Swedish products.

3.7 Trustworthiness

When analysing and collecting the data from Semi-structured interviews in a qualitative research, the authors are required to be objective to ensure trustworthiness as this is often questioned in such research studies (Malhotra et al., 2012). Saunders et al., (2016) states that a significant level of validity/credibility can be attained through conducting semi-structured interviews. They further state that this can be achieved when the interviews are carried out properly. To ensure this the authors clearly explained the questions to the interviewees and went deeper by probing the interviewees to clearly understand what they meant. Additionally, the authors investigated the responses from various viewpoints in order to comprehensively clarify the responses.

According to Saunders et al., (2016), other factors which need to be considered that might influence the reliability and validity of the semi-structured interview, include the appearance during the interview. The authors in this case were presentably dressed in turn giving the interviewee confidence on their credibility. The other factor considered was the opening statements or icebreakers to the interviews. The authors also asked for the interviewees consent to record the interview and explained that the information will be used for a thesis, thus making them comfortable to disclose information without any biasness. Moreover, since the authors used judgemental sampling for selecting the interviewees, the selected sample included industry experts in the research area with over 25 years of experience which cemented their credibility.

Due to the nature of semi-structured interviews being semi-structured, the reliability/ dependability of the findings cannot be certainly replicated by other studies due to fact they are conducted with regards to a specific time context. Thus, they might change or be different if carried out on another time context. The nature of these semi-structured interviews is that they are also presumed to have significant levels of complexity and dynamism making them hard to replicate (Saunders et al., 2016). Therefore, the explanation on the data collection, data analysis and the findings as well as the research design helped to assure the reliability/dependability as suggested by Saunders et al., (2016).

3.8 Reliability and Validity

3.8.1 Reliability

According to Malhotra et al., (2012), reliability signifies the degree to which the scales are random error free. Moreover, Mitchell (1996) states that reliability can be assessed thorough a test re-test or internal consistency. The test re-test normally measures the data for consistency if the test is administered again or re-tested. This might prove to be problematic since it requires the same respondent to respond to the questionnaire twice which they may not be willing to do. The authors need to consider the time between re-test responses which might also lead respondents answering the questions differently (Saunders et al., 2016). Therefore, to ensure proper measurement of internal consistency reliability whereby the answers in the questionnaire can be compared to each other, the coefficient alpha (Cronbach Alpha) is used. The Cronbach Alpha signifies the average of coefficients which are divided into two. The coefficients vary from 0 to 1 whereby a value which falls between 0.7 or less shows inadequate internal consistency. The Cronbach alpha simply measures the internal consistency reliability of the data by splitting the coefficients in half to check if the average is greater than 0.6 which would show that they have internal consistency reliability (Pallant, 2005).

3.8.2 Validity

The validity indicates the degree to which the characteristics of the problem under investigation are represented by the measurement under real circumstances (Saunders et al., 2016). Validity can be examined through the following ways i.e. content validity, criterion validity. Content validity consists of the researcher ensuring that the whole concept that is being measured is sufficiently represented by the scale items, this assessment is subjective to the researcher. This study ensured content validity by including all scale items required to measure COO effect, product evaluations and product preference relating to the literature review. It can be noted that the questionnaire used in this study was designed by the authors upon existing theories and confirmed by our supervisor ensuring validity as per Saunders' et al., (2016), recommendation that a questionnaire ought to be reviewed by an expert. Moreover, to ensure content validity a pilot test was conducted to confirm the questions were understood and if the questionnaire was to thrive as a research tool (Bryman & Bell, 2015).

4 Empirical Findings

This chapter introduces the specific findings of the two-step data collection. Firstly, the findings of the conducted expert interviews will be presented throughout the key terms illustrated by a model which will be supported by statements and quotations from the interviewees. Secondly, the findings of the conducted survey to the German population will be presented.

4.1 Findings of the interviews in Germany

Interview	Gender	Current profession	Region	Duration (h:m)
A1	Male	manufacturer	Växjö	03:10
B1	Male	salesman	Potsdam	02:37
B2	Male	manufacturer & sales	Bünde	01:48
B3	Male	manufacturer & sales	Bosau	01:40

Table 3: Data of the four interviewees

A1 is working for the Swedish wooden house manufacturer Vida Villa as their head of exports for Germany. Vida Villa is a small company within the Vida group which focuses mostly on business of timber for housing, energy provider or packaging. Vida Villa purchases timber from foresters, thus is depending on forestry:

"If the forestry wouldn't provide us with timber anymore, we have a significant problem. Therefore, the purchase of timber in Sweden is very competitive and depending on the price we offer."

Vida Villa manufactures typical, traditional "Schwedenhäuser" and is not selling them directly to the end-consumer. They have a partnership with a German sales company called "Ellerbeck" who is only assigned to *A1* and only sells the houses provided by Vida Villa to his customers. Additionally, *A1* assigns the German market a demand of 15 % for prefabricated wooden houses. *A1* is not interested in implementing marketing activities. *A1* forwarded the responsibility of marketing and promotion to Ellerbeck but is in close touch with them to give support and advices:

"We don't want to have anything to do with marketing aspects and the sales process regarding the end-consumer: For that we have Ellerbeck and we are providing him the houses. But for sure, I am in close touch with him and we discuss these topics as well."

Additionally, in *A1's* opinion, the promotion of the COO makes sense and can create competitive advantage since people still have "Schwedenhäuser" in their mind and do imply positive associations. Due to new competition from Estonia, Germany etc. in the German market, *A1* highlighted that he would never outsource his factory to a cheaper country:

"People are buying our houses from Ellerbeck because they want a typical Schwedenhaus made from Sweden and sometimes they like to visit our production place in Sweden. If we manufacture in a different country, we lose our credibility and the effect of "made in" Sweden."

Furthermore, beside the focus on typical "Schwedenhäuser", *A1* and Vida Villa want to expand their product portfolio and offer also modern designs through Ellerbeck in Germany in future.
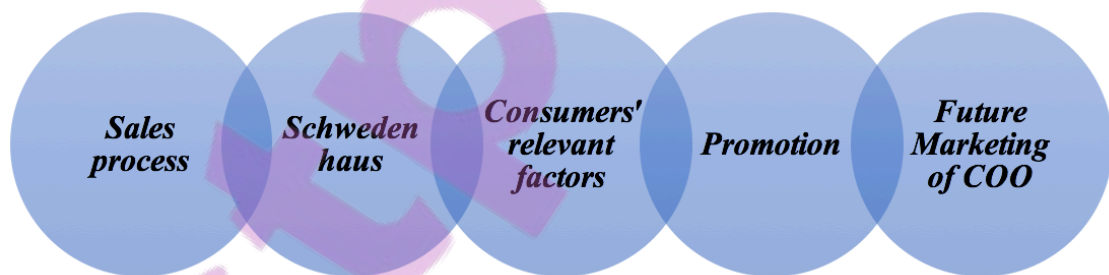
Figure 10: key themes discussed with the interviewees in Germany

General information of interviewees from Germany

B1 studied architecture and was always working together with different Swedish wooden house producers. Most of the time he was working for Trivselhus as their head of exports for Germany. Generally, he takes the roles of the architect, salesman and consultant and is always in touch with end-consumers. This can be seen in a quotation from interviewee *B1*:

"For the end-customer, I was mostly the architect, consultant and salesman in one."

He consults the end-consumer, designs the plans/layouts and finally orders the house from his Swedish partners. Currently, he works with/for Rörvikshus as their salesman.

B2 has always sold "Schwedenhäuser" from Sweden. Back in the days, *B2* ordered the houses directly from his producer in Sweden who manufactured the houses and delivered it to Germany. Nowadays, *B2* is independent and manufactures by himself. He just imports all materials such as wood from Sweden and manufacture the houses in Germany. *B2* highlighted his independency:

"Back in the days, I was depending on the Swedish producers and their prices. Nowadays I just import materials and can be an independent manufacturer."

B3 started in 1994 selling and assembling Swedish houses in Germany. Then he moved to the Swedish market from 2003 to 2007 working for Swedish producer by just assembling their houses. After the crisis in 2007, the Swedish market was almost dead and *B3* decided to go back to Germany, manufacture own houses by importing materials from Scandinavia and sell them. At the beginning, they imported from Sweden, but after a lot of trouble *B3* switched to imported materials from Denmark:

"Due to their culture, Swedish companies take their time and cause us Germans sometimes many problems, therefore I switched to the more reliable Danes."

Sales process

In the past, *B1* worked as freelancer and received inquiries from costumers. Then he consulted them, designed the layout and/or ordered the houses from Swedish producers matching with costumer's expectations and the money available. Nowadays, Rörvikshus receives inquiries and forwards them to *B1* in case the costumer is living in his assigned work area.

Moreover, most of the customers got in touch with *B2* through the web. Either they contact *B2* with a concrete wish of their future wooden house or they take advice by *B2*

and decide if it matches with their expectations or they look at houses from previous *B2* customers to decide for a house:

"Customers mail me regarding their wish and then we decide what is possible and fits best during a call or in best case during a counselling session."

Furthermore, most of the inquiries reached *B3* through mail and mostly due to positive WOM. Consulting is the key in *B3*s sales process instead of focusing on price in advising customers and try to convince them signing contracts. He assigns himself a competitive advantage by being independent, purchasing the materials and manufacturing by themselves in Germany. He highlights the importance in the following quote:

"Since I am independent, I can play with the price and will not just force customers to sign contracts for a certain price. They are tired of this behaviour by other companies, therefore consulting the customer properly is our key in the sales process."

Schwedenhaus

According to *B1*, a typical "Schwedenhaus" represents the traditional red and white or yellow and white wooden house containing muntins and crescent windows:

"The wooden facade, the framing of the windows, pediments, entrance patios and the edgily design are characteristics which make a house a "Schwedenhaus."

He mentioned the Bullerbü-syndrome and that this cliché and German perception of Sweden is still existing:

"If people think of a Schwedenhaus, they see the red wooden house with white edges."

Additionally, in *B1*s view, people who have been in Sweden and are aware of Astrid Lindgrens stories do see a "Schwedenhaus" from Sweden when they think of a general wooden house and therefore, they imply positive associations. However, people who haven't been in Sweden and are not aware of the stories, may see cheap and poor looking wooden houses from playgrounds and they imply negative associations. The customers

who use the terminology "Schwedenhaus" when they contact *B1*, are aware of the stories and they imply positive associations. Since the word "Schwedenhaus" has strong associations in the mind of the people, it is used by every wooden house producer and supplier in the market such as suppliers from Sweden, Denmark or Germany.

Additionally, *B1* mentioned the new "Schwedenhaus" design called "New England" style representing white wooden houses. Regarding the shift from typical houses to modern designs from Sweden, *B1* emphasized:

"I can't see a large market demand since the majority is demanding the traditional "Schwedenhaus" and nostalgic memories. I tried to sell modern designs with Trivselhus and experienced quite poor success."

According to *B2*, a "Schwedenhaus" is a cliché and the name itself is not registered, therefore concrete definition does not exist. However, in *B2*'s view:

"A typical "Schwedenhaus" is the red and white wooden house that was built 50 to 250 years ago in Sweden. Nowadays in Germany, a Swedish wooden house is mostly a passive-house and better heat-insulated compared to houses of German suppliers."

B2 associates with "Schwedenhäuser" the architectural components containing the interior planning and design. Since in Sweden they have an open interior design and smaller rooms for children, but a large living room combined with a large corridor and open kitchen. That is different compared to Germans common sense. Regarding customers view of "Schwedenhäuser", *B2* highlighted:

"Customers associate "Schwedehäuser" with Pippi Langstrumpf and the Astrid Lindgren stories. They have the typical architecture in their mind, therefore the exterior design and facade are more relevant than other technical details."

When customers inquire, they use the word "Schwedenhaus" and *B2* believes the Bullerbü perception is still existing:

"People want to buy for their future children a piece of the Bullerbü, the memories, idyll and nostalgia from stories in their childhood. That exist in the subconscious and customers are mostly not aware of it."

Regarding the shift from typical houses to modern designs from Sweden, *B2* can't see a large market demand since the majority is demanding the traditional "Schwedenhaus" and nostalgia:

"Maybe it works in the Swedish market, but in Germany they wouldn't differ from the German suppliers who have been selling modern wooden houses for decades."

The problem is that customers do not really acquire enough information to be able to compare and differentiate offers by different companies in the market, although house buying is a high-involvement purchase. *B2* strongly complained about that behaviour. Regarding *B2*s segmentation of being a manufacturer in Germany but importing materials from Sweden, he assigns himself a competitive advantage but rather cost-wise than marketing-wise. Since in his view:

"people care less about marketing-aspects."

According to *B3*, the typical "Schwedenhaus" is the red and white or yellow and white wooden house. Swedish houses imply the image of energy-efficient and well-isolated houses. He underlined a further crucial aspect of a typical "Schwedenhau":

"Especially wood as natural material makes a house a typical Schwedenhaus and creates a sense of life."

When *B3*s customers inquired for a "Schwedenhaus", they always associated it with the typical red and white house. Based on *B3*s experience, his customers who inquired Schwedenhäuser are still influenced by the Bullerbü-syndrome and they imply the clichéd perception of Sweden. He always noticed it throughout the communication, based on their desires and when he looks at the houses he is recently manufacturing:

"They represent the typical red and white Swedish wooden houses having some minimal architectonical differences. Since the recent generations still have the wooden houses at idyllic lakes and farms from the books by Astrid Lindgren in their minds."

Regarding the current modern designs from Sweden, *B3* thinks it could be successful in Sweden but in the German market it will be hard since they must compete against German producers offering for a long time modern designs. However, *B3* suggested:

"If the Swedish suppliers want to be successful, they must compete with price."

Consumers' relevant factors

Regarding the customers' most important factors and characteristic of *B1*s sold houses, he mentioned a mainstream taste which is existing in every design sector and is mostly demanded. In this case, *B1* mentioned:

"The typical, traditional "Schwedenhaus" is the mainstream taste and demanded. Exceptions are special people such as designers and architects that demand special Swedish wooden houses with special designs and technical aspects."

Generally, customers have their expectations towards the design from the beginning and questions regarding the source of the materials such as wood were often asked but do not play a very decisive role in *B1*s view. Based on his experiences, customers of other suppliers or salesmen didn't really care about the country of manufacture if the price was reasonable. However, his customers cared mostly about the COO. For instance, he mentioned one of his customers:

"One customer didn't want to buy a house from a competitor since they used wood from Denmark instead of Sweden."

Additionally, *B1* had positive experiences regarding offering trips to the production places in Sweden for past, current and potential customers:

"It created positive WOM and enhanced positive associations."

Furthermore, regarding the customers' most important aspects of *B2*s sold houses, he highlighted the German attitude of demanding as much as possible for the lowest price:

"They expect the best and the biggest house but don't want to pay much. If the price is reasonable and the house design implies a Swedish style, customers care less about the details and where the wood or other parts of the house come from."

Therefore, the price is the most decisive indicator followed by the design of the house which is mostly the typical "Schwedenhaus" design in red and white. That implies that *B2* could sell a house made from polish materials as a "Schwedenhaus" if it looks Swedish and has a reasonable price. *B2* concluded this term by the following quote:

"Thus, the COO doesn't provide a competitive advantage yet unless you highlight and promote it aggressively."

Based on *B3*s experiences, customers care about source of the wooden house and of what it is made and who is producing the house. His customers are often afraid of wood, materials and houses manufactured from the Eastern bloc such as Poland or Czechia:

"They are still afraid of the Chernobyl wood."

Therefore, it's important for the customers that *B3* uses Scandinavian wood and materials. Beside the price, which is always a decisive factor in his view, the COO is significant. However, there are differences in the groups of customers: The ones that acquire information prior are the most liked customers by *B3*:

"They are aware of what they get for the offered price. Less informed customers mostly search for cheap prices."

Regarding *B3*s segmentation of being a German producer with the use of Scandinavian materials and wood, he assigns himself a competitive advantage:

"Germans are perceived technically efficient and customers are aware of Scandinavians' quality toward wooden houses."

B3 also highlighted the importance of the service and customers' appreciating good service and advisors due to prior bad experiences with other companies. In his view, the Swedish industry lost the momentum of branding the Swedish origin stronger creating stronger associations and an advantage in the past. However, it can still be promoted way stronger as *B3* accentuated:

"A house produced in e.g. Eastern bloc differing not significantly from my prices, wouldn't be preferred over my houses made of Scandinavian materials. If you get the chance to show comparisons, customers notice the advantages."

Promotion

Regarding *B1*s promotion activities, he mentioned how tough it was to find a proper mixed promotion for both, the typical "Schwedenhaus" and the modern designs. He suggested:

"The use of separate catalogues, one for typical Swedish houses and one for the modern designs would be best."

B1 always promoted the word "Schwedenhaus" especially through online presence. Therefore, he described his segmentation as:

"The highest flexibility by selling what is demanded, either typical or modern designs."

However, 10-20 years ago *B1* had a competitive advantage by selling typical "Schwedenhäuser" manufactured in Sweden, but nowadays competitors from Germany, Norway, Denmark etc. are often cheaper in the price and promote their houses also as "Schwedenhäuser".

Regarding *B2*s promotion activities, he mentioned the solely use of the webpage and the 2 search keywords "Schwedenhaus" and "Schwedenhäuser". With the following quote, *B2* shared his opinion regarding the use of catalogues:

"People love to browze a catalogue but it is cost-intensive and it doesn't ensure turnovers since you show hundreds of different layouts and designs and in the end 90 % of the customers demand the typical design. A waste of money."

Besides, *B2* uses a model house as a marketing cue. In this model house, he meets potential customers. The model house provides customers with the feeling that *B2* is liquid and able to manufacture a decent house. *B2* concluded the promotion term as follows:

"People love to see and touch things and a model house creates associations in customers' mind and imaginings of their future house living. You sell easier and better with use of a model house."

Furthermore, regarding *B3*s promotion activities, he focuses on two aspects:

"I promote straight the term "Schwedenhaus" and stories, the philosophy, Scandinavian sense of life and the nostalgic feelings and association with the red and white houses from the Bullerbü stories."

The second aspect implies the ecological aspect of *B3*s wooden houses. Additionally, he created a fictive name "idealhus" for his product lines since a name associated with Sweden is important to attract customers and to use a consistent brand name throughout all stages of the sales process.

Future Marketing of COO
In *B1*s view, it is and was always hard regarding the marketing and image branding:

"Currently the trend is shifting from the typical Swedish houses to new styles such as New England and the new trend of "green" companies and "white" styles are attracting

customers. For example, there is a German producer who changed its name to "Greenville" or a US producer called "white house"."

However, aiming to aggressively advertise and push a Swedish image back into customers' minds, large investments need to be considered. In *B1*s view, Swedish producers should use a Swedish brand and company name as well as for their salesmen operating in Germany and do advertisements by the usage of the Swedish flag and origin to create a strong association and image. *B1* provided the reason to do so:

"It would create advantages especially in case of customers who have been in Sweden before."

He also mentioned content marketing activities:

"If using catalogues, decent pictures and storytelling content was and is important to trigger a positive atmosphere and associations. Also, providing information about possible interior designs and furniture matching with the offered houses."

It helped and created positive awareness when newspapers and magazines published *B1*s pictures and storytelling content of families in their sold houses. He received more inquiries. Inversely, direct advertising didn't work.

In *B2*s view, customers love stories behind a product or company, therefore Swedish name and philosophy is relevant:

"It is important to use a Swedish company name if you sell "Schwedenhäuser" since you want to enhance positive associations and a name-product match."

B2 doesn't really know or doesn't believe that an aggressive promotion of the COO of Sweden could create again a competitive advantage in Germany. The following quota explains why:

"Since people in Germany still just built up houses, look at the price and don't have brand awareness towards the house market."

However, *B2* mentioned promoting associations with Sweden aggressively, wouldn't be a disadvantage as Sweden is perceived always positive, social and great in Germany. He also underpinned the Swedish mentality of being "logom" as a stumbling stone:

"They must change their behaviour in the German market if they want to promote successfully - not like IKEA's failed wooden house attempt in Germany."

Moreover, in *B3*s view the Swedish industry needs to make big investments and must stay permanent in the German market if they want to create a competitive advantage from the COO cue and be successful. Since the German market is currently very competitive having a lot of German suppliers who differ in the style of design. They should avoid a vague market presence such as in the past. He suggested a straight marketing strategy throughout all stages of the sales process:

"For instance, the Swedish brand name should be used by all salesmen in Germany and these salesmen should represent the certain Swedish producer and should be assigned to a certain work area to avoid overlapping of customer acquisition instead of using different German sales companies which differ in their prices and are operating independently. The result is a confused customer who assigns them to the Swedish producer."

Additionally, *B3* mentioned the example of a customer who lived close to neighbours owning a wooden house manufactured from Poland:

"Instead of buying from the same supplier, he wanted to buy a wooden house made of Scandinavian quality by my company since he didn't trust Poland as the source of the house."

Therefore, *B3* suggested a mutual marketing strategy by the Swedish industry where the biggest 5-10 producer decide to invest together and promote strongly the COO cue to

create positive associations and favourability. A first step and opener could be a Swedish model house park somewhere in Germany where the nature and an idyllic atmosphere which is associated with Sweden, is ensured to emphasise the branding "FROM SWEDEN" behind all houses:

"You increase the awareness in the mind of the customers, enhance the clichéd perception and create a philosophy and nostalgia from which all the cooperating Swedish producers would benefit."

4.2 Findings of the conducted survey to the German population

4.2.1 Sampling and response rate

The data in this study was collected from German residents through a convenience and snowballing sampling technique. The survey was administered through Qualtrics in a period between the April 22nd and April 27^{th,} 2017, there were 214 total responses gathered of which more than 75% of the questionnaire was completed by each respondent as the required minimum to be recorded and analysed. The 214 response was deemed acceptable for this study since it was above the minimum acceptable sample size of 30 and less than 500 recommended by Sekaran, (2013).

4.2.2 Descriptive findings

The demographics findings were gathered from the Qualtrics report. The report showed the frequencies as follows; the numbers of males was 49.07% compared to 50.93% for female respondents (M= 1.52, SD=0.501). As for the age 61.03% of the respondent were young between the age of 18-25 making the majority following the interviewees recommendations to focus especially on the younger generation's perceptions as they will become the future generations and target group of housing market. 15.49% were between the age of 26-35, 10.33% between 46-55 and 1.88% between 56-65 (M=1.77, SD=1.135). With regards to income the majority 66.04% had an income less than 2000€, 25.94% were between 2000-5000€, 6.13% between 5000-8000€ and 1.89% between 8000-12000€ (M=1.44, SD=0.696). As for education level majority 50.23% had a high school education followed by 29.11% who were bachelor students (M=2.68, SD 1.921) (see appendix 5).

With regards to the respondents' choice between prefabricated wooden houses and massive construct houses, the findings show that 50 (23.36%) of the respondents selected prefabricated houses compared to 164 (76.64%) the majority who opted for massive construction showing that more respondents preferred massive construction. Apart from the preferred construction choice, the findings also showed that majority of the respondent felt they would pay less for prefabricated houses i.e. 110 (51.64%) would pay between 150.000€ - 250.000€ while for massive construction the majority 110 (51.64%) indicated that they would pay more than 250.000€ for this type of construction thus indicating the lack of knowledge about the real cost for prefabricated wooden houses.

4.2.3 Reliability of Measurements

To ensure the reliability of the questions and theories used in the study, the quality of the scales was measured using the Cronbach's alpha to check for the internal consistency so as to check whether the 29 (5 Likert scale) items used in the scales measure the same concept under examination (Saunders et al., 2016). The authors calculated the Cronbach's alpha for each of the four variables (country image, country affinity, COO preference and product dimensions). According to Mitchell (1996), a value of 0.7 or more signifies that the questions merged on the scale do measure the same concept while Malhotra et al., (2012) argues that a value of 0.6 or more signifies internal consistency reliability. The table 4 shows the results of the Cronbach's alpha for the 29 items. With all the items in this study scoring values more than 0.6 it can be confirmed that the scales had internal consistency reliability which confirms the theories applied.

Scale	Items	Cronbach's alpha
Country Image	6 items	0.719
Country Affinity	11 items	0.778
COO (preference)	8 Items	0.859
Product Dimensions	4 items	0.634
Total Scale	29 items	0.819

Table 4: Reliabilty Analysis

4.2.4 Country image (CI) findings

With regards to the respondents' perception towards Swedish products measuring the country image, the majority had positive perceptions meaning on the score ranging from 1 strongly disagree to 5 strongly agree, a value of 3.9 indicated more than half the respondents had a positive perception. For instance, majority of the respondents indicated that the item, careful production with a mean of 4.01 and S.D of 0.59 whereby 158 (73.83%) respondent agreed while only 6 (2.80%) disagreed with the statement, thus indicating a positive response rate. The sixth item i.e. longevity of Swedish products also indicated a positive perception with a mean of 3.78 and S.D of 0.67. (see table 5).

Items	Minimum	Maximum	Mean	Std Deviation	Count
Products made in Sweden show a very high degree of technological advancement	2.00	5.00	3.95	0.74	214
Products made in Sweden are carefully produced	2.00	5.00	4.01	0.59	214
Products made in Sweden have fine workmanship	2.00	5.00	3.95	0.74	214
Products made in Sweden are usually attractively designed with a good use of color	2.00	5.00	3.95	0.74	214
Products made in Sweden are usually of good overall quality	2.00	5.00	3.95	0.74	214
Products made in Sweden are usually seem to last the desired length of time	2.00	5.00	3.78	0.67	214
Country Image Total Mean	**2,67**	**5,00**	**3,9393**	**,45358**	**214**

Table 5: Descriptive Statistics for country image 6 items

4.2.5 Country Affinity (CA) findings

With regards to the respondents' affinity towards Sweden, the total mean for the 11 items showed that the majority had positive affinity, a mean value of 4 and SD of 0.4 indicated more than half the respondents were positive. The most notable findings in this construct were 6 items i.e. country development, quality of life, recognition of the Bullerbü cliché, assumptions of scenery and wooden houses, wanting to travel to Sweden and admiration of people living in Sweden where the mean average was a score of 4 indicating a positive affinity for the respondents with Sweden (see table 6).

Items	Minimum	Maximum	Mean	Std Deviation	Count
Sweden as a country is a developed country	2.00	5.00	4.32	0.74	214
Sweden as a country has a high quality of life	2.00	5.00	4.58	0.59	214
I know or aware of the Astrid Lindgren stories about "wir Kinder aus Bullerbü", "Pippi Langstrumpf" or "Michel aus Lönneberga" about Sweden.	2.00	5.00	4.81	0.53	214
If I think spontaneously of Sweden, I firstly think about things like typical wooden houses, clear lakes, green forests, happy people and midsummer sun.	1.00	5.00	4.57	0.79	214
I would love to travel to Sweden as a tourist to experience the scenery, culture and lifestyle.	1.00	5.00	4.48	0.92	214
I admire the lifestyle of people living in Sweden	1.00	5.00	4.14	0.83	214
I like the highly innovative technologies that come from Swedish companies	1.00	5.00	3.66	0.76	214
The service quality of Swedish companies is definitely world class.	2.00	5.00	3.59	0.73	214
Swedish companies are continuously improving their technology	2.00	5.00	3.67	0.71	214
Swedish companies are among world business leaders	2.00	5.00	3.74	0.77	214
Swedish companies are very competitive	2.00	5.00	3.74	0.77	214
Country Affinity Total Mean	**2.36**	**5.00**	**4.0760**	**0.42235**	**214**

Table 6: Descriptive statistics for country affinity 11 items

4.2.6 Comparison of COOs and Design styles

Looking at the respondents prefabricated wooden housing preferences compared to COO, the results show the following; for a typical wooden house design (M=2.99, SD=1.27, V=1.62, N=214), the results showed that the slight majority 77 (35%) had a preference and 22 (10%) a strong preference regarding the house when it is from Sweden compare to 65 (30%) unlikely and 29 (13%) very unlikely to prefer the house. Similar results were found for the same house with a German COO. However, a significant difference (Sig.=.000: p=.000) was found for an eastern bloc COO (M=1.99, SD=1.01, V=1.02, N=214), whereas the results indicated that majority 78 (36%) unlikely and 81 (38%) very unlikely compared to 14 (7%) having a preference and 5 (2%) having strong preference showing that respondents imply no preference regarding the typical wooden house if the COO was the eastern bloc (Sig.=.000: p=.000).

As for the modern wooden house design the preference was more positive and similar for the Swedish and German COO. For Sweden as the COO the results were (M=3.554, SD=1.16, V=1.34, N=214) showing that majority 91 (43%) likely and 43 (20%) very likely had a positive preference. As for the eastern bloc, the results (M=2.28, SD=1.01, V=1.01, N=214) showed that majority 91 (43%) unlikely and 49 (23%) not likely had a negative preference for the house when the COO was the eastern bloc (Sig.=.000: p=.000).

4.2.7 Bullerbü Syndrome (BS) findings

Looking at the respondents' perceptions with regards to the Bullerbü Syndrome, the total mean for the 2 items showed that the majority had a positive perception. A mean value of 4.69 and SD of 0.52 indicated that most of the responses were positive. The findings were as follows; for the recognition of the Bullerbü cliché majority i.e. 185 (86.45%) strongly agreed with the statement while only 3 (1.40%) disagreed indicating the existence of the clichéd perception. As for the assumptions of scenery and wooden houses the majority i.e. 149 (69.63%) strongly agree and 51 (23.83%) agree and only 2 (0.93%) strongly disagree and 8 (3.74%) disagree indicating a positive assumption of Sweden.

4.2.8 T-test on gender for CI, CA and BS

T-tests were performed for the three constructs above to check whether the different age groups had different perception. The three variables were chosen specifically due to the results from the interviews conducted with experts who suggested there might be a difference between the different groups, thus the authors used a t-test to confirm the assumptions. A t-test for the mean country image was performed to see if the scores for gender are equal, the score for males (M=3.896, SD=0.456) as for females (M=3.98, SD=0.448; $t(212)=1.34$, $p=0.180$). Additionally, equality of variances is assumed (Sig.= 0.862) and the null hypotheses is accepted ($p=0.180$). Therefore, no difference between the gender exists regarding the CI of Sweden.

The same was done for country affinity assuming an equality of variances (Sig.=0.511). That means the scores are almost the same. However, the p implies a statistical difference between the gender regarding the CA ($p=0.007$). In this case, the authors don't assign the

CA a relevant difference concerning the gender as for both, the perception indicates a strongly positive direction.

Regarding the existence of the BS, the scores are assumed to be unequal and a statistical difference between the genders regarding the BS exists (Sig.=.001; p=.003). In this case, the authors do not assign the gender a relevant difference regarding the BS as for both, the perception indicates a strongly positive direction.

4.2.9 ANOVA test on age for CI, CA and BS

An ANOVA test for age differences was also done for the three constructs above as suggested by the interviewees due to possible differences between younger generations and older generations. Regarding the factor CI, the homogeneity of the variances is not violated (Sig.=.867) and almost no difference between the age groups regarding Sweden's CI exists (Sig.=.929). Similar results are assigned to affinity of the different age groups toward Sweden. The test of homogeneity shows the homogeneity of variances is not violated (Sig.=.256) and age groups have almost same strength of Affinity with Sweden as almost no difference between the groups exist (Sig.=.848).

Differences regarding the factor BS are more obvious than in the previous two. The homogeneity of variances is violated (Sig.=.022) and the Welch and Brown-Forsythe tests cannot be performed, probably due to the age group of 56-65 which has a mean of 5 out of 5 implying 0 variances. Additionally, no significant differences exist between the age groups (Sig.=.412). However, the industry experts B1,2 and 3 assumed the younger age group could have a weaker clichéd perception than older generations, therefore, a look at the turkey post hoc test is helpful:

The most significant difference is between the two youngest groups, 18-25 and 26-35, and the oldest age group, 56-65 implying a mean difference of -0.34615 and -0.31818. Although all age groups show a strong clichéd perception (BS) of Sweden, these relatively significant mean differences between the young and the old show that the very strong BS of the old generation has changed over years and the BS has within the younger generations comparatively lower strength.

4.3 Multiple regression analysis findings

Independent variables	b*	r**	Sig.	Part coefficient	Tolerance	VIF
Mean Country Image	.038	.142	.625	.033	.744	1,344
Mean Country Affinity	.206	.226	.008	.178	.744	1,344

*b = standardized beta coefficients, **r = Pearson Correlation

	Model (CI & CA)*
R Square	.052
ANOVA Sig.	.004

*Dependent Variable: prefabricated typical wooden houses manufactured in Sweden/from Sweden

Table 7: Multiple regression: typical wooden houses

Regarding the preference of the prefabricated wooden houses manufactured in Sweden/from Sweden, multiple regression is used to investigate whether the model has a predictive power and lead to a Swedish COO effect. In terms of the typical wooden houses, the model (CI: r =.142; CA; r=.226) indicates a positive and small strength of relationship with the variable. Additionally, both CI and CA will be retained due to their bivariate correlation score (r=.506<.7). Furthermore, the multicollinearity assumption was not violated by the data (T=.744>.10; VIF=1.344<10). The model reaches statistical significance and explains 5.2 % of the variances indicating a low result (R-Square=.052; Sig.=004).

The model indicates the strongest unique contribution is made by CA (b=.206) followed by CI (b=.038). The CA reaches statistical significance for the prediction of the variable and is making a unique contribution by explaining 3.2% total variances of the dependent variable (Sig.=.008; Part coefficient=.178). The CI explains .12% total variances of dependent variable indicating no statistical significant unique contribution (Part coefficient=.034; Sig.=.625) which can be explained by quite respectable number of shared variances within the model (r=.506) as part coefficients only explain the uniquely contribution by removing overlapping variances.

Therefore, the model has a small predictive power regarding the preference of prefabricated wooden houses from Sweden. However, both variables indicate a unique contribution of the prediction, although it is a small percentage, and CA implies also a statistically significant contribution.

Furthermore, a split of the sample based on Q31 was done to investigate the contribution of the model on the preference of both, the respondents favouring prefabricated wooden housing (group 1) and respondents favouring massive constructed housing (group 2). Group 1 showed a likely preference (M=3.82; SD=1.082) while group 2 indicates a neutral to less preferred attitude (M=2.74; SD=1.223). A statistically significant difference is existing (Sig.=.001; p=.000)

Independent variables	b*	r**	Sig.	Part coefficient	Tolerance	VIF
Mean Country Image	-.020	.178	.900	-.017	.746	1,340
Mean Country Affinity	.393	.383	.015	.340	.746	1,340

*b = standardized beta coefficients, **r = Pearson Correlation

	Model (CI & CA)*
R Square	.147
ANOVA Sig.	.024

*Dependent Variable: prefabricated typical wooden houses manufactured in Sweden/from Sweden for group1(favouring prefabricated wooden houses)

Table 8: Multiple regression: typical wooden houses (group 1)

Independent variables	b*	r**	Sig.	Part coefficient	Tolerance	VIF
Mean Country Image	.116	.177	.198	.100	.736	1,358
Mean Country Affinity	.118	.178	.191	.101	.736	1,358

*b = standardized beta coefficients, **r = Pearson Correlation

	Model (CI & CA)*
R Square	.042
ANOVA Sig.	.033

*Dependent Variable: prefabricated typical wooden houses manufactured in Sweden/from Sweden for group 2 (favouring Massive house construction)

Table 9: Multiple regression: typical wooden houses (group 2)

Regarding the preference of group 1, the model indicates a positive relationship with the variable (CI: r=.178; CA: r=.0383), whereby especially CA indicates an almost strong relationship. Also, both variables will be retained (r=.504<.7). Additionally, the multicollinearity assumption was not violated by the data (T=.746>.10; VIF=1.340<10). Similar regarding group 2, as the model has a positive relationship with the variable (CI: r=.177; CA: r=.178), but both CI and CA indicating uniquely a weak relationship. Also,

both variables will be retained (r=.513<.7) and the multicollinearity assumption was not violated (T=.736>.10; VIF=1.358<10).

The model for group 1 reaches statistical significance and explains 14.7% of total variances of the variable (R Square=.147; Sig.=.024). Whereas regarding group 2, the model explains only 4.2% of the total variances and reaches statistical significance (R Square=.042; Sig.=.033). The model for group 1 scored now a relatively higher result compared to the model for group 2 and to the model for the total sample. Regarding group 1, the model indicates the strongest unique contribution is made by CA (b=.393) followed by CI (b=-.020). CA reaches statistical significance for the prediction of the variable and is making a unique contribution by explaining 11.52% of total variances of dependent variable (Sig.=.015; Part coefficient=.340). CI explains .02% of total variances indicating no statistical significant unique contribution (Part coefficient=-.17; Sig.=.900). Regarding group 2, the strongest unique contribution is made by CA (b=.118) followed by the CI (b=.116). CA predicts uniquely 1.02 % of the total variances (Part coefficient=.101; Sig.=.191) while CI explains uniquely 1 % (Part coefficient=.100; Sig.=.198).

Thus, the model has a higher predictive power with a predictable percentage of almost 15 % regarding group 1. This is a higher predictive power compared to the model for group 2 (4.2%) and to the model for the total sample (5.2%). This indicates that the positive and strong country image and affinity with Sweden leads more likely to a COO effect and predictive power if the respondents are in favour of wooden housing.

Independent variables	b*	r**	Sig.	Part coefficient	Tolerance	VIF
Mean Country Image	.048	.059	.545	.042	.744	1.344
Mean Country Affinity	.021	.045	.793	.018	.744	1.344

*b = standardized beta coefficients, **r = Pearson Correlation

	Model (CI & CA)*
R Square	.004
ANOVA Sig.	.669

*Dependent Variable: prefabricated modern design wooden houses manufactured in Sweden/from Sweden

Table 10: Multiple regression: modern design wooden houses

The other regression analysis was done for the modern design style. The model indicates a positive, small strength of relationship with the variable (CI: r=.059; CA: r=.045). Also, both independent variables will be retained (r=.506<.7) and the multicollinearity assumption was not violated (T=.744>.10; VIF=1.344<10).

The model explains a very low % of the variances of the variable and doesn't reach statistical significance (R Square=.004; Sig.=.669). The strongest unique contribution is made by CI (b=.048) followed by CA (b=.021). CA explains uniquely .03% of total variances and CI predicts uniquely .17% of total variances whereby both imply no statistical significance for the prediction of the variable (CA: Part coefficient=.018; Sig.=.793; CI: Part coefficient=.042; Sig.=.545). The quite respectable number of shared variances within the model (r=.506) can explain missing statistical significance as Part coefficients only explain the uniquely contribution by removing overlapping variances.

Therefore, the model indicates a positive relationship but almost no predictive power regarding the preference of the modern design wooden houses from Sweden leading highly unlikely to a Swedish COO effect.

Furthermore, a split of the sample was also done for the modern design style to investigate the contribution of the model on the preference of both, group 1 (M=3.94; SD=.956) and 2 (M=3.43; SD=1.193) having a likely preference and preferred attitude. A statistical significant difference is existing (Sig.=.000; p=.002).

Independent variables	b*	r**	Sig.	Part coefficient	Tolerance	VIF
Mean Country Image	.015	.022	.932	.013	.746	1.340
Mean Country Affinity	.014	.022	.933	.012	.746	1.340

*b = standardized beta coefficients, **r = Pearson Correlation

	Model (CI & CA)*
R Square	.001
ANOVA Sig.	.985

*Dependent Variable: prefabricated modern design wooden houses manufactured in Sweden/from Sweden for group 1 (favouring prefabricated house construction)

Table 11: Multiple regression: modern design wooden houses (group 1)

Independent variables	b*	r**	Sig.	Part coefficient	Tolerance	VIF
Mean Country Image	.089	.086	.334	.076	.736	1.358
Mean Country Affinity	-.005	.040	.953	-.005	.736	1.358

*b = standardized beta coefficients, **r = Pearson Correlation

	Model (CI & CA)*
R Square	.007
ANOVA Sig.	.550

*Dependent Variable: prefabricated modern design wooden houses manufactured in Sweden/from Sweden for group 2 (favouring massive construction house construction)

Table 12: Multiple regression: modern design wooden houses (group 2)

Regarding the preference of group 1, the model indicates a positive, weak relationship with the variable (CI: r=.022; CA: r=.022). Also, both variables will be retained (r=.504<.7) and the multicollinearity assumption was not violated (T=.746>.10; VIF=1.340<10). Similar regarding group 2, as the model has a positive, weak relationship with the variable (CI: r=.086; CA: r=.04). Also, both variables will be retained (r=.513<.7) and the multicollinearity assumption was not violated (T=.736>.10; VIF=1.358<10).

The model for group 1 explains .1% of the total variances of the dependent variable (R Square=.001) and for group 2, the model explains .7% of the total variances (R Square=.007). For both groups, the model reaches no statistical significance (1: Sig.=.985; 2: Sig.=.550). Regarding group 1, the strongest unique contribution is made by CI (b=.015) followed by CA (b=.014), both not predicting a significant % variances

of the variable (CI: Part coefficient=.013; Sig.=.932; CA: Part coefficient=.012; Sig.=.933).

Additionally, regarding group 2, CI makes the strongest uniquely contribution to the prediction (b=.089) followed by the CA (b=-.005). Both explain uniquely no statistical significant % variances of the dependent (CI: Part coefficient=.076; Sig.=.334; CA: Part coefficient=-.005; Sig.=.953).

Therefore, for 1 and 2, the model indicates a positive relationship but almost no predictive power regarding the preference of the modern design wooden houses from Sweden leading highly unlikely to a Swedish COO effect.

4.3.1 Product category dimensions

To check the product country match, the 4 items (Innovativeness, Design, Workmanship and Status) under product dimensions need to be compared with 4 items (same items) under country image to see whether a theoretical product country match exist. The findings show that Innovation is perceived as relevant dimension for prefabricated wooden houses by leaning towards an "agree" (M=3.7; SD=.88). Also, Design is perceived as relevant dimension by an even stronger "agree" (M=4.05; SD=.84) just as Workmanship which is perceived as relevant dimension by implying a strong "agree" (M=4.26; SD=.84). However, Status is perceived as irrelevant dimension by indicating a more neutral respondents' perception (M=3.2; SD=.95).

5 Analysis
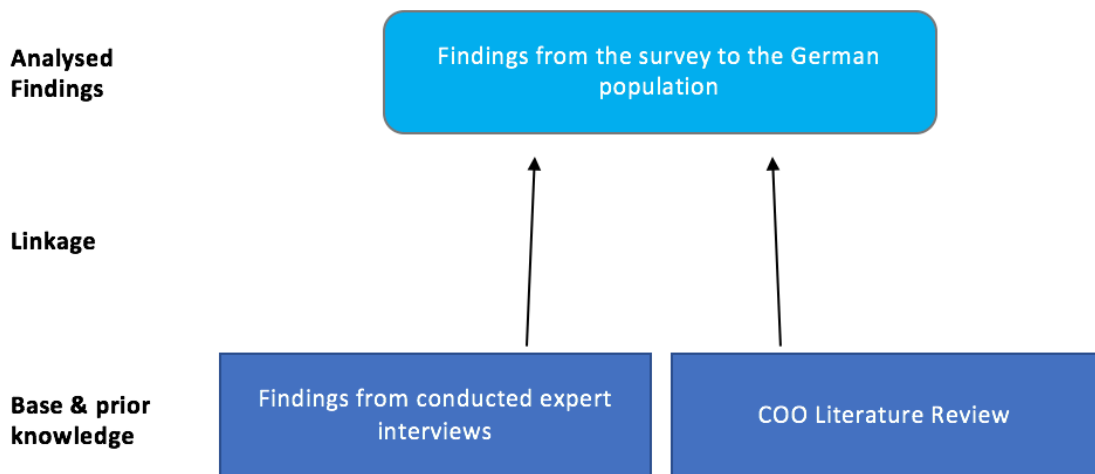
Figure 11: Analytical framework

The figure 11 presents the approach of how the authors analysed the findings from the German population. The findings of the conducted expert interviews which were used as prior knowledge of the market and consumers of the studied product category, together with the COO literature review were used as the base to which the findings of the survey were linked. The Linkage with the base implies if the findings support the COO theories and the prior knowledge gained through the industry experts and if new phenomena are found.

Figure 12: Used model for this study

Based on the proposed model from the literature review for investigating the impact on the product preference through COO effect, the following will analyse how the data findings are link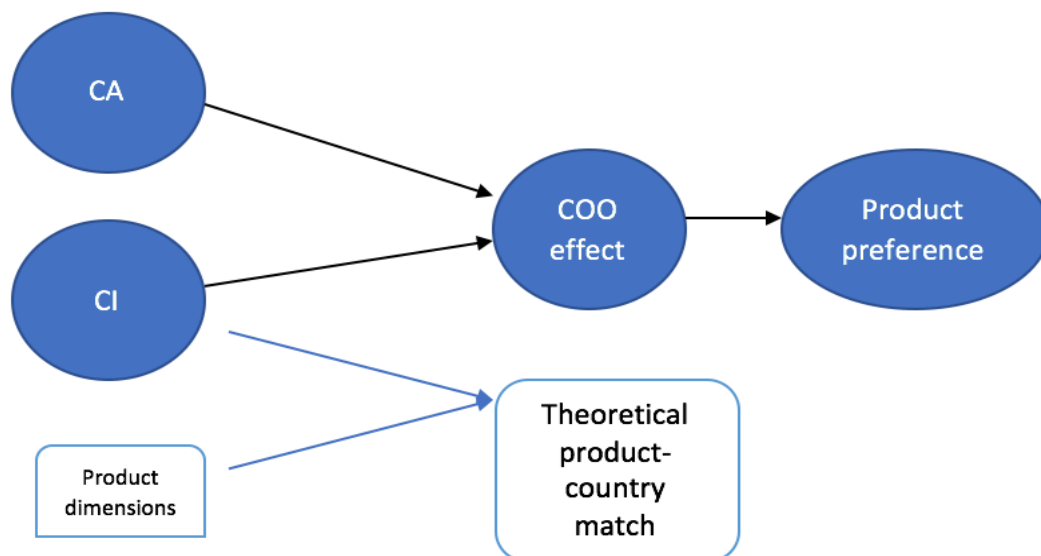ed to the theories regarding the country affinity and country image of Sweden, the impact on respondents' product preference and the existence of a theoretical product-country match (Figure 12).

5.1 CI, CA, BS and differences between gender and age groups

The respondents' evaluation of Sweden's perceived degree of Innovativeness, Design and Workmanship created a positive CI of Sweden which is supported by literature about positive country image made up of the evaluation of country products perceived level of innovativeness, Design and Workmanship (Laroche et al., 2005, Oberecker et al., 2011). Additionally, the respondents' feelings and experiences toward Sweden created a positive CA which is supported by Oberecker et al. (2011) and Nes et al. (2014) emphasizing feelings and experiences toward the scenery, lifestyle and the people make up a country's affinity. The positive perception of Sweden's image, affinity and the strong clichéd perception of Sweden (BS) in the findings of the survey are supported by the interviewees A1, B1, B2 and B3 highlighting the Germans perceive Sweden still as a strong, social and high-quality country and BS is still strongly existing. The strong existence supports Berthold Franke's (2007) assumption Germans internalise the clichéd perception (BS) of Sweden containing positive associations with the country's wooden houses, countryside, vivid lakes, blond and happy people.

The interviewees B1, B2 and B3 suggested the investigation of differences in the perception of the image, affinity and especially the clichéd perception (BS) as a part of consumers' affinity between gender and especially between the age groups. No relevant differences were found in the gender and no differences were found between the age groups toward CI and CA which was assumed by the interviewees. The differences between the age groups regarding the BS which is still strongly existing in all age groups, however, are consistent with the interviewees assumption the strong cliché of Sweden in Germany could have become weaker over the years and in the younger generations compared to the older generations. Since the younger generations are going to become

the future target groups, the differences between the age groups was suggested by the interviewees for investigation which could become in future a relevant factor.

5.2 The model's predictive power and COO impact
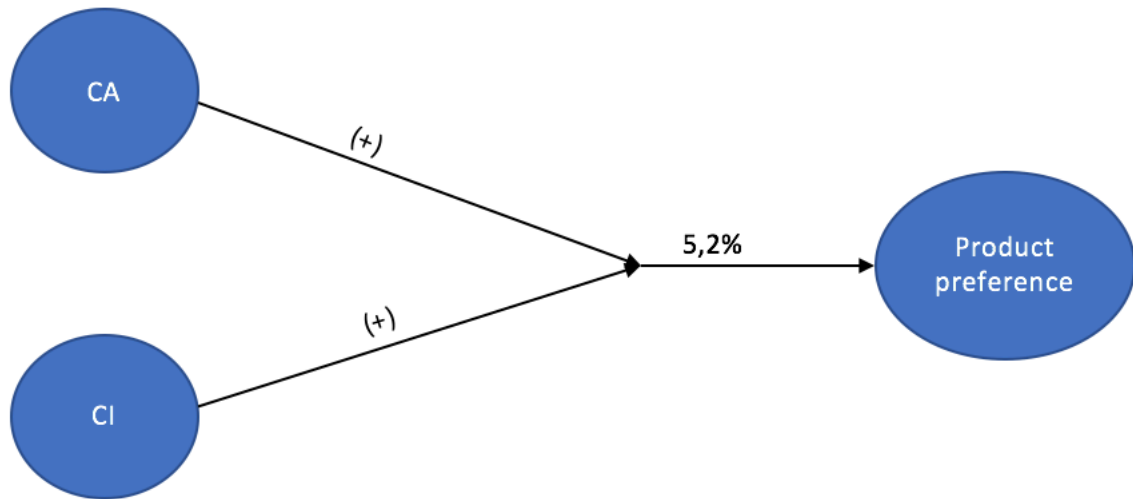
Figure 13: *CI & CA Model of product preference (prefabricated wooden houses from Sweden)*

Furthermore, the model in this study implies a positive relationship with the product preference but explains only 5.2 % of the variances of the product preference (typical Schwedenhaus from Sweden) indicating a low predictive power although Sweden's image and affinity is perceived positively strong (Figure 13). These findings aren't consistent with studies by Oberecker et al. (2011) whom model explained 30% of the variances of product preference and Nes et al. (2014) having 41% explained variances of product preference which are highly satisfactory scores and higher than the result in this study. Additionally, the split of the respondents in this study, group 1 having prefabricated wooden housing in favour and group 2 having massive constructed housing in favour, explores whether a higher predictive power for a real product preference can be investigated which is adapted from the approach of the study by Nes et al. (2014) splitting the respondents into owner and non-owner.
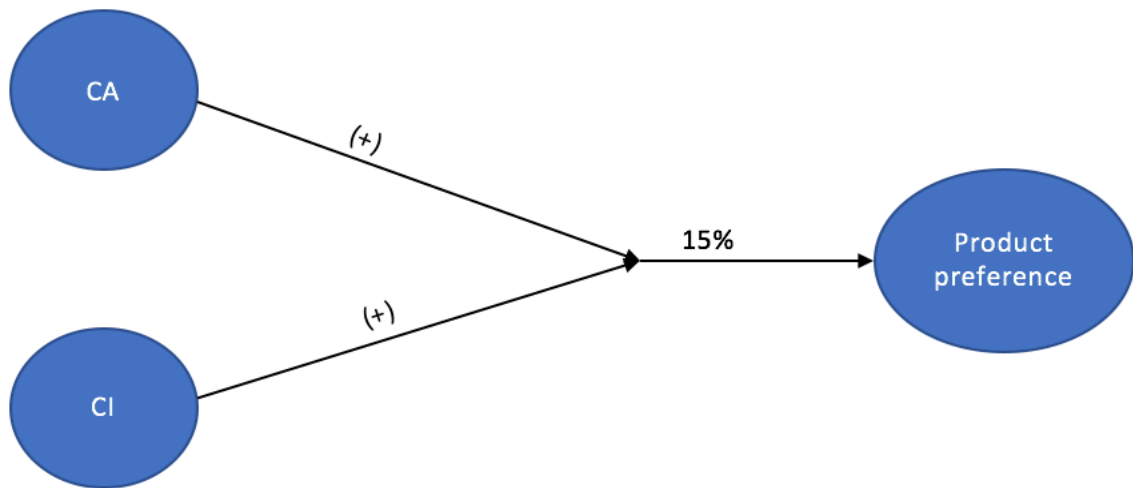
Figure 14: *CI & CA Model of product preference (prefabricated wooden houses from Sweden) for group 1 (favouring prefabricated wooden housing)*
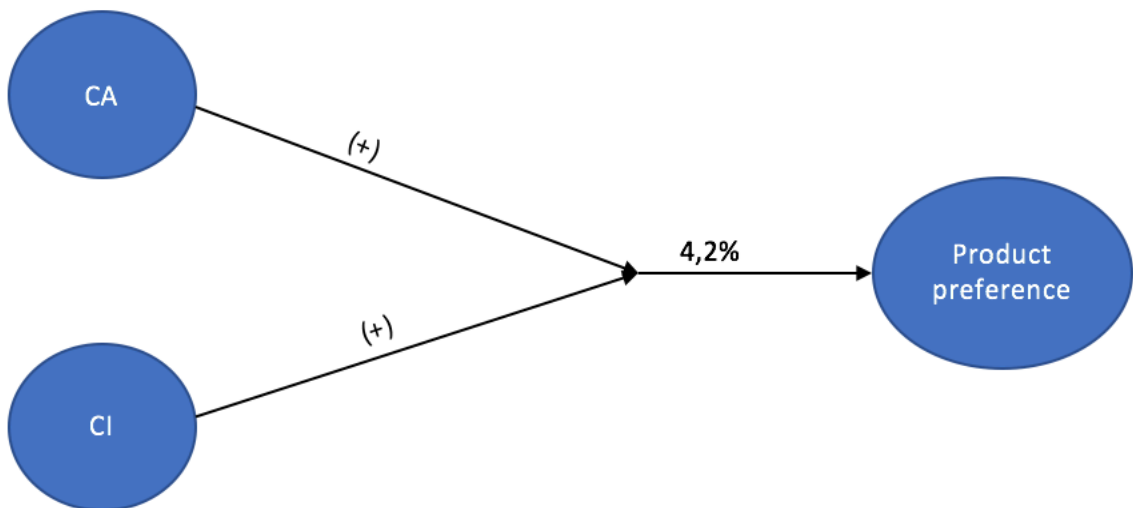
Figure 15: *CI & CA Model of product preference (prefabricated wooden houses from Sweden) for group 2 (favouring massive constructed housing)*

Regarding group 1, the model indicates a positive and strong relationship with the product preference (typical Schwedenhaus from Sweden) and explained variances of the product preference are almost 15 % (Figure 14). However, the model implies also regarding group 2 a positive relationship but the explained variances of the product preference are 4.2 % (Figure 15) meaning the model has a hardly lesser predictive power for group 2 compared to group 1 and the prediction toward the total sample. Contrary to group 2, the predictive power of the model for group 1 is satisfactory as it isn't as weak as findings in prior

research by Balabanis and Diamantopoulos (2004) and closer to the highly satisfactory scores of the studies by Oberecker et al. (2011) and Nes et al. (2014).

Moreover, the survey findings having the model which predicted only 5.2 % of variances (Figure 13) agree with the experiences of interviewee B1 and B2. Since the interviewees experienced that Sweden's image is perceived positive and Germans have a positive affinity toward Sweden but even so both currently don't lead to a strong COO effect having a strong predictive power regarding the preference of typical wooden houses from Sweden in the German housing market. However, the focus on only Germans favouring prefabricated wooden housing shows a satisfactory influence by Sweden as COO (Figure 14). This supports interviewee B3 who assigns Sweden a positive impact throughout a COO effect on the product preference of typical wooden houses regarding people having that housing style in favour.

This study investigated the influence on a specific product category from a certain country while results of Oberecker et al. (2011) and Nes et al. (2014) having highly satisfactory scores in explaining the product preference, investigated positive image and affinity on a country's general products. Thus, the lower results in this study support prior research (Tseng & Balabanis 2011; Roth & Romeo, 1992; Matarazzo & Resciniti, 2013) highlighting product specificity matters in terms of a COO effect throughout a positive CI and CA. Several studies by Wang and Yang (2008), Pappu et al. (2006) and Häubl (1996) about the association of a country and specific product category such as cars and televisions also highlighted that product specificity matters in case of a positive CI and CA. Thus, a strong association between a country and a product category is essential in order to score a satisfactory impact through a COO effect. For instance, the model and the CI in the study by Wang and Yang (2008) scored a significantly positive predictive power on the preference of cars (R=.252; b=.154; p<.001). Currently, prefabricated wooden houses are not highly matching with Sweden by being the specific product category which can be highly predicted by positive CI and CA.

5.3 Comparison of COOs and Design styles

The interviewees B1, B2 and B3 underlined the German market has several manufacturers in favour which are countries that are mostly perceived positive such as Sweden and Germany. Especially interviewee B3 experienced customers being afraid of prefabricated wooden houses from Eastern Bloc countries such as Poland or Czechia as they are negatively perceived. These experiences are consistent with the survey findings as the preference scores for the typical wooden house are similar regarding Sweden and Germany having an almost equal distribution of respondents concerning preference and non-preference. Additionally, the findings show an avoidance of the houses made in Eastern Bloc countries which supports experiences of B3 and both, the findings from the interviews and survey supports literature mentioning that apparently, consumers indicate no preference/avoidance for products from countries perceived negatively (Pappu, Quester, & Cooksey, 2006; Chu, Chang, Chen, & Wang, 2010).

Furthermore, the preference scores for the modern design wooden house are also similar regarding Sweden and Germany having an unequal distribution of respondents containing more weight on preference than non-preference. Additionally, houses from the Eastern Bloc are also avoided. Also, these findings support the experiences of the interviewees B1, B2 and B3. However, all three interviewees doubted if the demand of modern design from Sweden is highly existing as German suppliers are serving modern designs over decades in the market but the survey findings show a similar preference of modern design from Sweden to Germany which may indicate a possible market potential.

5.4 Theoretical product-country match

Figure 16: *Theoretical favourable match between Sweden and the product category prefabricated wooden houses*

According to Roth and Romeo (1992) and Matarazzo and Resciniti (2013), the product specificity is important regarding a CI. Additionally, a country of origin effect occurs easier if the product category is matching with the country's image. Therefore, the relevant perceived product dimensions by the respondents must match with the perceived strengths of Sweden presented by the CI. Regarding the four dimensions Innovativeness, Design, Status and Workmanship suggested by theory (Roth and Romeo, 1992), the relevant perceived dimensions Innovativeness, Design and Workmanship for prefabricated wooden houses are also perceived as Sweden's strengths (InnovativenessCI, DesignCI, WorkmanshipCI). Thus, a theoretical product-country match is exiting according to Roth et al, (1992) and Matarazzo and Resciniti (2013).

5.5 Consumers housing factors

Moreover, the respondents' choices of their favourable construction style agree with the findings of the interviewees as they mentioned a market and demand of around 15 % for prefabricated wooden houses. The 23 % still show the demand is small compared to the

massive construction style, however, compared to the assumed 15 % by the interviewees, a positive difference of around 8 % exists and a potential in the demand of prefabricated wooden housing can be drawn. Additionally, the interviewees B1,2 and 3 highlighted that Germans demand a low price for a high quality wooden house and have the wrong perception that wooden houses cost less than massive constructed houses. This statement is reflected in the findings of the respondents as most of the respondents (52%) would pay more than 250 000 € for a massive constructed house and regarding prefabricated wooden houses, the majority (51.64%) would pay maximum 150 000-250 000 € supporting the interviewees opinion Germans having a wrong perception toward price and costs of a prefabricated wooden house.

6 Conclusion

This last chapter will present the conclusion of the study to the reader by answering the research questions and conclude if the objectives of the study were attained. Additionally, the authors will discuss the theoretical and practical implication and limitations of the study, as provide suggestions for future research.

6.1 Discussion

The aim of this thesis was to investigate whether German consumer perceptions of Sweden's COO could lead to a preferred preference for Swedish prefabricated wooden houses thus resulting in a competitive advantage. To attain this purpose of the study four research questions were presented. To answer the research questions, the authors conducted four interviews and did a survey with 214 respondents. Furthermore, the data gathered from the survey was statistically analysed and compared to the data from the interviews from Swedish Wooden Houses Industry experts and the COO theories.

Results for research question one (RQ1: How do agents/intermediaries perceive the market presence of Swedish manufacturers and what are their experiences with consumer requirements and perceptions toward "Schwedenhäuser" from Sweden?) indicated that the German market presence of Swedish manufacturers was experienced as inconstant and interruptive. In case of low demand on the domestic market, Swedish manufacturers started to get active on the German market implying no willingness to a long-term, constant market presence which was negatively perceived. Additionally, the costumers' perception of a "Schwedenhaus" implies the typical red wooden house with white edges and crescent windows. This perception is emphasised by the still existing Bullerbü-syndrome entailing the typical clichéd red and white wooden houses which is also experienced as the mainstream taste. Beside the design taste, the customers focus on the price and whether the houses are manufactured by a reliable country.

Results for research question two (RQ2: How do Germans perceive Sweden as a country (Country Image) and what do they associate with Sweden (Country Affinity)?) indicated that there was a favourable perception of Sweden's image in terms of Innovativeness, Design and workmanship by the respondent as well as a strong positive association in terms of quality of life, country development, lifestyle, as a holiday destination and more significantly the Bullerbü-syndrome cliché was identified to still exist strongly among all

age groups thus indicating a strong positive affinity with Sweden for the German population. Whereas the strong existence of BS became weaker the younger the generation. It was possible to draw a conclusion that German population have a significantly positive image and affinity towards Sweden as per this study's results.

Results from research questions three (RQ3: Does Sweden's perceived image and the Germans' associations with Sweden (Country Affinity) have an influence on the preference of prefabricated wooden houses from Sweden, implying an COO effect if any?) indicated that there was indeed a favourable perception with the image and affinity of Sweden, however it was possible to draw a conclusion that these favourable perceptions were given a low score in their influence towards the preference for the Swedish prefabricated wooden houses thus implying weak signs. However, the authors split the sample into respondents favouring either prefabricated wooden housing or massive constructed housing regarding their product preference of prefabricated wooden houses manufactured in Sweden. The results entailed a strong indication of a possible COO effect predicting a satisfactory % of the preference score regarding respondents favouring prefabricated wooden housing as per the study. Furthermore, a theoretical product-country match between the relevant product dimensions and Sweden's strengths exists, thus, a stronger COO effect could be generated easier by marketers in future.

Results from research question four (RQ4: Does the COO in terms of prefabricated wooden houses from Sweden create a competitive advantage in the German market?) indicated that there was a COO effect. However, it was possible to conclude that there were no predictions of a competitive advantage being created due to the fact that Germany and Sweden had similar outcomes with the preference of a prefabricated wooden house by the respondents supported by the interviewees experiences of similarly strong competitors from other Scandinavian countries and Germany with the exception being the eastern bloc countries which had weak preference. Therefore, a competitive advantage in the German market is not conspicuous since an advantage over competitors from Germany or other Scandinavian countries couldn't be drawn according to the results of this study.

Therefore, the study results entail a favourable country image and positive association with Sweden and an existing Swedish COO effect, however, the positive variables couldn't determine if there was any competitive advantage in this study.

6.2 Theoretical implications

This study provides several contributions to existing literature on country affinity, country image and COO effect. However, as to the knowledge of the authors, there is limited research on COO effect on high involvement products and especially a lack of COO effect research on housing. This thesis has provided an understanding on the effects of COO on the housing market hence contributing to COO literature on high involvement products. Precisely, the thesis focused on a COO effect on a housing niche of prefabricated wooden houses where no previous research existed as per the authors knowledge thus adding relevant knowledge to this area of research.

6.3 Practical implications

Practically, the results of this study provide managers in the prefabricated wooden house industry both in Sweden and Germany with good insights of how to create appropriate strategies that would help them in promoting and marketing of houses. The findings of consumers' perceptions are also very valuable to managers in general.

It was noted from the results that there is a strong positive COO association meaning managers can take advantage of this fact by implementing strategic marketing communication campaigns centred on the houses made in Sweden to emphasise and take advantage of the positive perception of the country. Since theoretically a match between the relevant product dimensions of prefabricated wooden houses and Sweden's strengths exist, marketers have a chance to arouse easier an COO effect in future by strongly focusing on COO branding and promotion. The other significant finding which can be utilized is the Bullerbü-syndrome cliché which implied that the future generations who will be the potential clients for houses still have a clichéd association meaning managers can use this to their advantage in the marketing of the houses increasing their sales as well as the market share. Interviewee B3 suggested a mutual marketing strategy by the Swedish industry through investing together into branding the Swedish COO strongly and consistently through all sales processes. A mutual first step should be a suggested Swedish model house park in Germany where the nature and idyllic atmosphere matches

with the Swedish association emphasising the branding "FROM SWEDEN" behind all houses. According to the findings, in the given scale of 1-5, marketers can increase the score of the preference from Sweden by .048 through increasing the CI by one SD unit while the score can be increased by .262 through increasing the CA by one SD unit through e.g. advertising the COO cue. Additionally, in terms of the population favouring wooden housing, the score of the preference could be even increased by .5 through increasing the CA by one SD unit.

The other practical implication that was noted from the results is the preference for modern designs prefabricated wooden houses. This information gives valuable insight both the manufactures and managers on how the industry is going meaning they should adapt and focus more on this option. Moreover, it was also noted that consumers lacked the knowledge of how much prefabricated wooden houses cost hence this offers managers the opportunity to create awareness of the product attribute qualities of prefabricated wooden house in turn justifying the pricing.

6.4 Limitations

Despite the contributions of this study on the prefabricated wooden houses industry, there were various limitations that could be noted. Due to the nature of the research focusing on the German population in general and the fact that cost and time were limited in administering the study, the respondents were limited to a convenient sample selection which limited the generalizability of the findings. Whereas the authors believe that having had access to larger and more representative sample through probability sampling could have resulted in more conclusive and clear results. It can be noted that despite the efforts of the authors to have a varied age distribution in the sample, the sample skewed towards a specific age group which could have affected the data.

6.5 Suggestions on Future research

With the contribution of this thesis to the area of COO research on houses where to the knowledge of the authors no previous research exists, the study provides a foundation upon which future researchers can be conducted. The authors thus suggest a replication of this thesis study by using probability sampling for purpose of generalizability. Future research can also try to look at other housing industries and other markets as well as focus more on gaining an understanding of purchase intention for houses as the dependent

variable. Lastly, the authors suggest that future research can look at other cues aside from COO to gain deeper insights on perceptions of consumers when buying prefabricated wooden houses.

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Appendices

Appendix 1 Interview Guideline

Q1: For how long are you already in this industry? And how did you get into this industry? (Icebreaker)

Q2. Can you describe your sales process?

Q3:Could you describe what is in your opinion a typical Schwedenhaus?'

→What do your customers mainly associate with Schwedenhäuser?

→Do customers use the term Schwedenhaus when they inquire about the houses you offer?

Q4: Do you think the Bullerbü-Syndrome representing the German clichéd perception of Sweden, still applies/exist?

Q5: You are specialized in typical Schwedenhäuser - swedisch manufactured. Shifting to modern designs is taking place – do you see a demand for that as well?

Q6: How would you describe your segmentation?

→Do you think this gives you a competitive advantage?

Q7: What kind or type of clients are your customers? Sociodemographic factors.

Q8: what are in your experience product factors that are highly valued by the customer?

→Do you think it's important for German consumers where the houses come from?

→Do you think it creates a competitive advantage (Sweden)?

Q9: Since buying a house is a high involvement process for your customers, what information do they inquire from you mostly about the Swedish houses?

→Do they ask about the materials (timber), the designs? What are their main expectations?

→Are your consumers also interested in the production process? Do they wish to visit the production sites? Maybe, in order to see more about the "origin"?

Q10. What specific things do you do to promote the houses. Do you use a lot "Schwedenhaus" for promotion and how?

Q11. What are the things people think about when they buy these houses?
→What were the main drivers

Q12. Is a Swedish brand name important? How important is it

Q13. Do you think you would gain more if you are pushing in terms of marketing the Swedish country of origin cue of Schwedenhäuser?

Appendix 2 Questionnaire (German/English)

Umfrage (Fragebogen)

Sehr geehrte Teilnehmer,

Wir wären Ihnen sehr dankbar sofern Sie sich 10 Minuten Ihrer kostbaren Zeit für die Beantwortung dieser Umfrage nehmen könnten. Die Umfrage befasst sich mit dem Thema Fertigbauholzhäuser.

Die Umfrage behandelt 5 Themenbereiche: Country Image, Country Affinity, product-country match, Kaufbereitschaft und demografische Daten.

Es gibt kein Richtig oder Falsch, beantworten Sie die Fragen bitte ehrlich. Hier geht es nicht um Ihr Wissen, sondern um ihre persönliche Meinung und Einschätzung. Daher wählen Sie bitte aus den Antwortmöglichkeiten aus was Sie persönlich denken und nach Ihrem Gefühl spontan für zutreffend halten.

Ihre Antworten werden selbstverständlich anonym und vertraulich behandelt und nur für Forschungszwecke verwendet.

Vielen Dank für Ihre Teilnahme!

Section One
Country Image:

Nach Ihrer persönlichen Ansicht und Einschätzung, bitte wählen Sie aus was Sie bezüglich der folgenden Aussagen über Produkte aus Schweden für zutreffend halten.

Q1. In Schweden hergestellte Produkte weisen einen hohen Grad an technologischem Fortschritt auf.

Q2. In Schweden hergestellte Produkte werden sorgfältig hergestellt.

Q3. In Schweden hergestellte Produkte haben eine hochwertige Verarbeitung.

Q4. In Schweden hergestellte Produkte weisen ein ansprechendes Design mit guter Farbauswahl auf.

Q5. In Schweden hergestellte Produkte weisen eine gute Gesamtqualität auf.

Q6. In Schweden hergestellte Produkte scheinen die erwartete Produktlebensdauer zu halten.

Section Two
Country Affinity

Nach Ihrem Gefühl und/oder Ihren Erfahrungen, bitte wählen Sie aus was Sie persönlich bezüglich der folgenden Aussagen über Schweden denken und für zutreffend halten.

Q7. Schweden als Land steht für eine entwickelte Volkswirtschaft.

Q8. Schweden als Land steht für eine hohe Lebensqualität.

Q9. Ich kenne die Astrid Lindgren Geschichten von "wir Kinder aus Bullerbü", "Pippi Langstrumpf" oder "Michel aus Lönneberga" über Schweden bzw. habe mal von denen gehört.

Q10. Wenn Ich spontan an Schweden denke, sehe ich Dinge wie typische Holzhäuser, klare Seen, grüne Wälder, blonde Haare, glückliche Menschen und Mitsommersonne.

Q11. Ich würde gerne einmal als Tourist nach Schweden reisen um die schwedische Natur, deren Kultur und Lebensstil zu erleben.

Q12. Ich begrüße den Lebensstil der Leute aus Schweden.

Q13. Ich mag die hoch innovativen Technologien der schwedischen Unternehmen.

Q14. Die Service-Qualität schwedischer Unternehmen gehört definitiv zur Weltspitze.

Q15. Schwedische Unternehmen optimieren fortlaufend ihre Technologien.

Q16. Schwedische Unternehmen gehören weltweit zu den Wirtschaftsführern.

Q17. Schwedische Unternehmen sind sehr wettbewerbsfähig.

Section Three

Nach Ihrem Gefühl und Ihrer Ansicht, bitte wählen Sie aus was Sie persönlich bezüglich der folgenden Aussagen und Fragen über Fertigholzhäuser denken und für zutreffend halten.

COO/Preference

Bezüglich Bild 1

Q18. Das dargestellte Haus wird als Fertigholzhaus aus Schweden promotet. Wie wahrscheinlich ist es, dass Sie einen Kauf in Betracht ziehen würden?

Q19. Das dargestellte Haus wird als Fertigholzhaus aus Deutschland promotet. Wie wahrscheinlich ist es, dass Sie einen Kauf in Betracht ziehen würden?

Q20. Das dargestellte Haus wird als Fertigholzhaus aus dem Ostblock promotet. Wie wahrscheinlich ist es, dass Sie einen Kauf in Betracht ziehen würden?

Q21. Wie wahrscheinlich wäre es für Sie solch ein Haus zu kaufen, das als "Schwedenhaus" promotet wird?

Bezüglich Bild 2

Q22. Das dargestellte Haus wird als Fertigholzhaus aus Schweden promotet. Wie wahrscheinlich ist es, dass Sie einen Kauf in Betracht ziehen würden?

Q23. Das dargestellte Haus wird als Fertigholzhaus aus Deutschland promotet. Wie wahrscheinlich ist es, dass Sie einen Kauf in Betracht ziehen würden?

Q24. Das dargestellte Haus wird als Fertigholzhaus aus dem Ostblock (Polen, Tschechien etc.) promotet. Wie wahrscheinlich ist es, dass Sie einen Kauf in Betracht ziehen würden?

Q25. Wie wahrscheinlich wäre es für Sie solch ein Haus zu kaufen, das als "Schwedenhaus" promotet wird?

Section Four

Product dimensions

Nach Ihrem Gefühl und Ihrer Ansicht, welche Produkt-Features assoziieren Sie mit der Produktkategorie "Fertigholzhäuser"? Bitte wählen Sie aus, was Sie bezüglich der folgenden Aussagen für zutreffend halten.

Q26. Innovationsstärke und technischer Fortschritt sollten relevante Produkt-Features in der Produktkategorie "Fertigholzhäuser" sein.

Q27. Das architektonische Design, Baustil und Farbe sollten relevante Produkt-Features in der Produktkategorie "Fertigholzhäuser" sein.

Q28. Exklusivität und Status (Prestige) sollten relevante Produkt-Features in der Produktkategorie "Fertigholzhäuser" sein.

Q29. Produktlebensdauer, Handwerkskunst und Herstellungsqualität sollten relevante Produkt-Features in der Produktkategorie "Fertigholzhäuser"sein.

Section Five
Consumer housing factors

Nach ihrer Ansicht und Einschätzung, bitte wählen Sie aus was bezüglich der folgenden Fragen über Fertigholzhäuser auf Sie persönlich zutrifft.

Q30. Wenn Sie zwischen verschiedenen Bautypen von Häusern wählen müssten, welches der folgenden Bautypen würden Sie auswählen?

- Fertigholzhaus

-Massivbau

Q31. Im Falle, Sie planen ein Haus aus Massivbau zu kaufen, wie viel würden Sie ausgeben wollen?

- (<€150.000)
- (€150.000. – €250.000.)

- (> €250.000)

Q32. Im Falle, Sie planen ein schwedisches Fertigholzhaus zu kaufen, wie viel würden Sie ausgeben wollen?

- (<€150.000)
- (€150.000. – €250.000.)
- (> €250.000)

Q33. Haben Sie die Intention bzw. planen Sie den Kauf eines Hauses in näherer Zukunft?

- Ja, innerhalb der nächsten 12 Monate

- Ja, innerhalb der nächsten 2 Jahre

- Ja, innerhalb der nächsten 5 Jahre

- Ja, innerhalb der nächsten 10 Jahre

- Nein, ich werde kein Haus kaufen

Section Six

Bitte füllen sie die unteren Fragen aus

Q34. Geschlecht

- Männlich
- Weiblich

Q35. Alter

- 18 – 25
- 26 – 35
- 36 – 45
- 46 – 55
- 56 – 65
- >65

Q36. monatliches Einkommen

- weniger als 2000€
- 2000 - 5000 euros
- 5000 - 8000 euros
- 8000 - 12000 euros

Q37. Bildungsgrad

- Schulabschluss
- Bachelor student
- Bachelor-Abschluss
- Master student
- Master-Abschluss
- Doktorand/in
- Doktortitel/Promotion

Q38. Nationalität

Q39. Aus welcher Region in Deutschland kommen Sie?

Q40. Aktuelle Beschäftigung

Q41. Lebt einer Ihrer Familienmitglieder oder Freunde in einem Fertigholzhaus?

Ja/ Nein

Q42. Besitzen Sie aktuell ein Fertigholzhaus?

Ja/ Nein

Survey (Questionnaire)

Dear Participant,

We would highly appreciate that you take approximately 10 minutes of your valuable time to fill in this questionnaire. The topic of this questionnaire is about prefabricated wooden houses.

The questionnaire consists of five sections, concerning country image, country affinity, product country match, willingness to buy and demographics.

There are no right or wrong answers, please fill in this survey honestly, the answers will be treated anonymously and confidentially and only for research purposes.

Thank you for your participating!

Section one

Country Image:
Perception of Swedish wooden house/Swedish manufactured products

In your opinion, please select what you think about the following statements related to prefabricated Swedish wooden houses. 5 point Likert scale (Strongly disagree 1 2 3 4 5 Strongly agree)

Q1. Products made in Sweden show a very high degree of technological advancement.
Q2. Products made in Sweden are carefully produced.
Q3. Products made in Sweden have fine workmanship
Q4. Products made in Sweden are usually attractively designed with a good use of color.
Q5. Products made in Sweden are usually of good overall quality.
Q6. Products made in Sweden are usually seem to last the desired length of time.

Section two
Country Affinity

In your opinion, please select what you fell about the following statements related to Sweden. 5 point Likert scale (Strongly disagree 1 2 3 4 5 Strongly agree)

Q7. Sweden as a country is a developed country.
Q8. Sweden as a country has a high quality of life.
Q9. I know or I am aware of the Astrid Lindgren stories about "wir Kinder aus Bullerbü", "Pippi Langstrumpf" or " Michel aus Lönneberga" about Sweden.
Q10. If I think spontaneously of Sweden, I firstly think about things like typical wooden houses, clear lakes, green forests, happy people and midsummersun.
Q11. I would love to travel to Sweden as a tourist to experience the scenery, culture and lifestyle.

Q12. I admire the lifestyle of people living in Sweden.
Q13. I like the highly innovative technologies that come from Swedish companies.
Q14. The service quality of Swedish companies is definitely world class.
Q15. Swedish companies are continuously improving their technology.
Q16. Swedish companies are among world business leaders.
Q17. Swedish companies are very competitive.

Section Three

In your opinion, please select what you think about the following statements and questions related to prefabricated wooden houses. 5 point Likert *(not likely 1 2 3 4 5 very likely)*

COO/ Preference

Based on picture 1

Q18. This house is promoted as a prefabricated wooden house from Sweden. How likely are you to buy it?

Q19. The house is promoted as prefabricated wooden house from Germany. How likely are you to buy it?

Q20. The house is promoted as prefabricated wooden house from Eastern Bloc. How likely are you to buy it?

Q21. How likely are you to buy a house if its promoted as a "Schwedenhaus"?

Based on picture 2

Q22. This house is promoted as a prefabricated wooden house from Sweden. How likely are you to buy it?

Q23. The house is promoted as prefabricated wooden house from Germany. How likely are you to buy it?

Q24. The house is promoted as prefabricated wooden house from Eastern Bloc? How likely are you to buy it?

Q25. How likely are you to buy a house if its promoted as a "Schwedenhaus"?

Section Four

Product dimensions

Q26. Innovativeness and technological progress are relevant for this product category
Q27. Design, architectural style and color are relevant for this product category
Q28. Exclusivity and status (Prestige) are relevant for this product category
Q29. Product durability, craftsmanship and production quality (Workmanship) are relevent for the product category

Section five
Consumer housing factors

In your opinion, please select what you think about the following questions related to prefabricated wooden houses.

Q30.If had to choose between different types of houses, which one would you choose?
- prefabricated wooden house
-Massivbau

Q31.When you are going to buy a Massivhaus, how much would you spend?
- (<€150.000)

- (€150.000. – €250.000.)
- (> €250.000)

Q32.When you are going to buy a prefabricated Swedish wooden house, how much would you spend?
- (<€150.000)
- (€150.000. – €250.000.)
- (> €250.000)

Q33.Do you have the intention of buying a house in the next few years?

- Yes, within now and 12 months
- Yes, within now and 2 years
- Yes, within now and 5 years
- Yes, within now and 10 years
- No, I will never buy a house

Section Six

Please fill in the below question with your

Q34. Gender
- Male
- Female

Q35. Age

- 18 – 25
- 26 – 35
- 36 – 45
- 46 – 55
- 56 – 65
- >65

Q36. Personal Income

- lower than 2000 euros
- 2500 to 5000 euros
- 5500 to 8000 euros
- 8500 to 12000 euros

Q37. Education level

- High school
- Bachelor student
- Bachelor's degree
- Master student
- Master degree

- Phd candidate
- Phd

Q38. Nationality

Q39. From which region In Germany are you from

Q40. Current occupation

Q41. Does one of your family members or friends own a Wooden House?

Yes/ No

Q42. Do you currently own a wooden house?

Yes/No

Thank you for your participation!

Appendix 3 Interviews transcripts

Transcripts available on request.

Appendix 4 Interviews audio files

Audiofiles available on request.

Appendix 5 Qualtrics Report

Report available on request.